Supreme Court, U. S.
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APPENDIX

IN THE
Supreme Court of the United States
OCTOBER TERM, 1974

No. 74-712

UNITED STATES,
Petitioner

—*v.*—

PHILIP L. BORNSTEIN, ET AL.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

PETITION FOR WRIT OF CERTIORARI FILED DECEMBER 6, 1974
CERTIORARI GRANTED JANUARY 27, 1975

IN THE

Supreme Court of the United States

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No. 74-712

UNITED STATES, *Petitioner*

—v.—

PHILIP L. BORNSTEIN, ET AL.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

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Civil Docket 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

—*vs*—

PHILIP L. BORNSTEIN, GERALD PAGE AND UNITED NATIONAL LABS, Division of Sonora Electromatics, Inc., DEFENDANTS

BASIS OF ACTION:

False Claims Statute; presentation of false claim re manufacture of radio kit

DOCKET ENTRIES

DATE	FILINGS—PROCEEDINGS
11- 6-67	Complaint filed 11-3-67.
11- 6-67	Summons issued.
1-10-68	Summons returned served on Gerald Page on 12-5-67; on Philip L. Bornstein on 1-8-68; Not Served as to United National Labs, Division of Sonora Electromatics, Inc., filed
1-19-68	Answer of Gerald Page; crossclaim against Philip L. Bornstein and United National Labs, Division of Sonora Electromatics, Inc.; and Demand for Jury, filed 1-18-68
1-24-68	Answer of Philip L. Bornstein, filed
5-16-68	Plaintiff's Request for Admissions directed to defendant, Gerald Page, filed 5-15-68
5-16-68	Plaintiff's Request for Admissions directed to defendant, Philip L. Bornstein, filed 5-15-68
8- 7-68	Interrogatories of Gerald Page and plaintiff's answer filed 8-6-68.

DATE	FILINGS—PROCEEDINGS
10-28-68	Plaintiff's documents in answer to certain interrogatories of the defendant, Gerald Page, filed 10-25-68
3-24-69	Supplemental Interrogatories of Gerald Page and plaintiff's answers filed 3-21-69.
4-14-69	Plaintiff's answer to supplemental interrogatory No. 2, filed 4-11-69
4-18-69	Plaintiff's answers to interrogatories Nos. 8, 9 and 25, filed 4-17-69
5- 1-69	Answers of defendant Philip L. Bornstein to Request for Admissions, filed 4-30-69
5- 5-69	Pre-trial order, filed 5-2-69 (Shaw) Notice mailed.
6-17-69	Plaintiff's supplemental answers to interrogatories of Gerald Page, filed 6-16-69
6-18-69	Plaintiff's supplemental answer to interrogatory No. 18 of Gerald Page, filed 6-17-69
6-19-69	Plaintiff's copies of Model Invoices with Material Inspection and Receiving Reports in compliance with Gerald Page's interrogatory No. 18, filed 6-18-69
6-19-69	Affidavit of service of copies of plaintiff's Model Invoices with Material Inspection and Receiving Reports in compliance with Gerald' Page's interrogatory No. 18, filed 6-18-69.
1- 8-71	Notice of Motion by plaintiff for partial summary judgment; to strike the third affirmative defense in answer of Gerald Page, and affidavit of service, filed 4-6-71. (Brief submitted)
1- 8-71	Plaintiff's list of documentary exhibits, filed 4-7-71
1-14-71	Ordered action placed on non-jury calendar. (Shaw) (4-8-71)

DATE	FILINGS—PROCEEDINGS
1-26-71	Notice of motion by plaintiff for partial summary judgment; as to defendants, Gerald Page and Philip L. Bornstein; to strike the third affirmative defense in the answer of defendant, Gerald Page, and affidavits of service, filed 4-22-71 (ret. 5-24-71) (No brief submitted)
2- 1-71	Hearing on plaintiff's motion for partial summary judgment as to defendants, Gerald Page and Philip Bornstein; to strike the third affirmative defense in answer of the defendant, Gerald Page. Ordered motion denied. (Shaw) (11-29-71)
10- 4-72	Order of Re-Assignment and Re-Allocation to Judge Cohen, filed 10-3-72. (Coolahan) Notice mailed.
3-19-73	Supplement to List of Documentary Exhibits, filed 3-15-73
3-19-73	Supplemental Answer to Interrogatories, filed
3-19-73	Second Supplement to List of Documentary Exhibits, filed 3-16-73
3-21-73	Second Supplemental Answer of Plaintiff to Interrogatories, filed
3-26-73	Trial moved before Hon. John J. Kitchen, Judge and Jury; Case to be submitted on Briefs.
3-29-73	Stipulation of Settlement placed upon the Record;
4-13-73	Stipulation of Facts by U.S.A., filed
6-26-73	Various letters, filed
6-26-73	Opinion, filed (Kitchen) Notices mailed
7-12-73	Judgment in favor of Plaintiff, United States of America, and against Defendants, Philip L. Bornstein and Gerald Page, jointly and severally, in the sum of $70,079.40, and costs, filed (Kitchen) Notice mailed.
7-19-73	Letter Re: Costs, filed

DATE	FILINGS—PROCEEDINGS
7-19-73	Statement of Plaintiff's costs, taxed at $70.84, filed
7-19-73	Order of Dismissal as to defendant United National Labs, Division of Sonora Electromatics Inc., a corporation of the State of New Jersey, without costs, filed (Kitchen) Notice mailed
8-20-73	Notice of Appeal by Deft. Philip L. Bornstein, filed 7-26-73 (Copies mailed Clerk, USCA, U.S. Attorney & Stavis, Richardson, etc.)
8-20-73	Notice of Appeal, filed 8-16-73 (Copies mailed Clerk, USCA, Jack Ballan, Esq. & Stavis, Richardson, etc.)
8-23-73	Record on Appeal, mailed Clerk, U.S. Court of Appeals. (Notice furnished Counsel)
9- 7-73	Notice of Appeal by defendant Gerald Page, filed 9-6-73 (Copies mailed to Clerk, U.S.C.A. and Jack Ballan, Esq.)
9- 9-74	Opinion of U.S. Court of Appeals, filed
9-27-74	Certified copy of Judgment of U.S. Court of Appeals affirming district court as to double damages and the award of a single forfeiture; and vacating award of forfeitures in excess of $2,000.00, filed

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Filed January 6, 1967]

COMPLAINT

The plaintiff, the United States of America, by its attorney, David M. Satz, Jr., United States Attorney for the District of New Jersey, (appearing by Assistant United States Attorney, Carolyn E. Arch), for its complain alleges herein:

1. This is a civil action brought by the United States pursuant to the provisions of Sections 3490 and 5438 of the Revised Statutes, 12 Stat. 696, Title 31 U.S.C. Sections 231, 233. This Court has jurisdiction of this action by virtue of Section 3491 of the Revised Statutes, 31 U.S.C. Section 232, as amended.

2. At all times hereinafter mentioned, defendant United National Labs, Division of Sonora Electromatics, Inc. (hereinafter United) was and is a corporation of the State of New Jersey with principal offices of business at No. 295 Vreeland Avenue, Paterson, New Jersey, was engaged in the business of buying and selling election tubes, and is within the jurisdiction of this Court.

3. At all times hereinafter mentioned, defendant Philip L. Bornstein was part owner and General Manager of United and defendant Gerald Page was part owner, Vice-President and Manager of Sales of defendant United. Defendant United was operated and managed by defendants Philip L. Bornstein and Gerald Page. Defendant Philip L. Bornstein resides at No. 51 Spottswood Road, Glen Rock, New Jersey, and is within the jurisdiction of this Court. Defendant Gerald Page resides at No. 140 Dean Street, Glen Rock, New Jersey, and is within the jurisdiction of this Court.

4. None of the defendants were in the military or naval forces of the United States, or in the militia or

called into or actually employed in the service of the United States, during the times involved in this action.

5. At all times hereinafter stated Model Engineering and Manufacturing Corp., Inc., (hereafter Model), was and is an Indiana corporation, with principal offices at Huntington, Indiana, engaged in the business of manufacturing and building electronic radio equipment and radio sets.

6. At all times hereinafter stated the United States Army Signal Supply Agency and the Chicago Procurement District were divisions of the Department of the Army, an agency and instrumentality of the plaintiff, vested with the responsibility for the procurement of electronic equipment and parts for the Department of the Army, as authorized by 10 U.S.C. 2304 (public law 1028, 84th Congress).

7. By Supply Contract No. DA-36-039-AMC-01080 (E), (hereafter Contract) dated August 29, 1962, between the United States Signal Supply Agency and Model, Model undertook to manufacture for and supply to the Department of the Army Radio Kit Sets, each of which was to contain the following sub-items: A radio transmitter kit, a radio receiver kit, a power supply kit, a radio transformer kit, and a radio accessory kit. The total dollar volume of the contract and its supplements was $2,077,861.76.

The component parts list of this contract specified that Sub-item #1-5-33, to be included in the radio accessory kits, called for:

> "2 ea. Tube, Electron JAN type 4X150G Per Specifications, HIL. E-1 and T55 MIL. E-1, 302F dated 4/17/57"

The Specifications pertinent to JAN type tube 4X150G provided as follows:

3.7.1.1. "JAN" prefix. The designation of all tubes procured under this specification shall bear the prefix "JAN", except that in the case of small tubes (T-6 ½ bulb outline or smaller) the prefix "J" shall be used. Tubes procured under a contract which either permits

or requires any changes in any of the conditions or requirements of this specification shall not bear the prefix "JAN" nor any abbreviation thereof. The "JAN" brand is registered under number 504860 by the United States Patent Office and shall be used only on tubes which have passed Government inspection.

3.7.1.2 Qualification code. The qualification code marking follows the "JAN" prefix. This designation is assigned to the manufacturer for use on all tube types of his manufacture which have passed the qualification tests and have been approved for inclusion on the Qualified Products List. The code-designating letters shall be as listed in Publication NAVSHIPS 900,152. The code-designation shall be used only by the manufacturer to whom it has been assigned and only as a part of the designation on tubes manufactured at the plant to which the qualification approval was granted. In the case of small tubes (see 3.7.1.1), the manufacturer's code designation may be abbreviated by deleting "C" (the indication that the code has been assigned to a commercial organization in the United States or Canada).

3.7.1.2.1 Tubes not having qualification. Tubes procured under this specification from a source of supply for which no qualification approval has been granted, shall be marked "JAN" followed by the type on the side wall of the base, or on the envelope of metal, lock-in tubes, or other glass tubes, or on the bulb of tubes without bases. The prefix "J", abbreviation for "JAN", shall be used only as specified in 3.7.1.1. The manufacturer's code name which signifies qualification shall not be used on any part of the tube.

8. The JAN 4X150G electron tubes are not manufactured for commercial use; they are used only with military equipment.

9. The only authorized manufacturer of the 4X1500 electron "JAN" tube was and continues to be Eitel McCullough, Incorporated, of San Carlos, California (hereafter Eimac). The "JAN" designation on the tubes which can only be placed thereon by the manufacturer after they have passed Government source inspection, is an abbreviation for the *J*oint *A*rmy *N*avy qualification

approval standard registered by the United States Patent Office. A tube with "JAN" designation indicates it has been inspected and approved by the United States Government at the source (place) of manufacture.

10. Model, as contractor, made the following certification concerning used or surplus material:

> "The offeror/contractor certifies that the material offered is new, recently manufactured, has never been used and is not former surplus of any type."

11. Due to the requirements of the equipment specifications and complete "JAN" tests as required by the "JAN" specifications the use of a commercial tube which is non- "JAN" branded would require prior written approval from the Government Contracting Officer administering the contract. No such approval had been given to Model under the contract.

12. In October, 1963 defendants Philip L. Bornstein and Gerald Page, acting through defendant United, offered to sell electron tube type 4X1500 to Model, which were required by Model under the Contract, and Model Ordered 120 JAN 4X150G electron tubes from defendants.

13. In October, 1963, two shipments of 4X150G tubes, 120 in number, were sent by the defendants to Model, but did not have "JAN" stamped on the tubes which indicated to Model that the tubes were not source inspected as called for under the Contract. Model returned them to the defendants with the request that they be source inspected and properly stamped.

14. Model became concerned that United might not be able to furnish the required tubes which met the specifications of the contract and asked that United confirm in writing that proper tubes could be furnished.

15. By letter dated January 24, 1964, signed by defendant Philip L. Bornstein, Vice-President, United National Labs, Model was advised as follows:

"This letter is to stand as affirmation by us that we are fully equipped and capable to delivery (sic) any and all electron tubes and semi-conductors on which we

accept purchase orders from you to the applicable military specifications and government source inspection supplied as required."

16. Thereafter the defendants jointly and severally undertook a scheme to defraud Model and the plaintiff. Said fraudulent scheme consisted of defendants' acquisition of non-"JAN" 4X150G tubes which were defective, obsolete and without warranty; imprinting and causing to have imprinted on such tubes the Government approval designation "JAN"; making or causing to be made a United States Government Inspector's Stamp (a one inch square in which there is an eagle with three stars over it); stamping and causing to be stamped on their purchase orders a United States Government Inspector's stamp; and shipping and causing to be shipped to Model to fulfill the Contract non-"JAN" 4X150G electron tubes with the "JAN" designation imprinted thereon, together with purchase orders with a United States Government Inspector's stamp mark thereon.

17. Thereafter Model accepted shipments from the defendants of the 4X150G electron tubes, believing that they were "JAN" 4X150G electron tubes as called for under the Contract. From the period of October 1963, through February 1964 Model purchased electron tubes type 4X150G from the defendants. The Sales Invoices issued by the defendants for sales of 4X150G electron tubes to Model designated as "JAN", are as follows:

INVOICE	DATE	QUANTITY
A 11073	1/16/64	60
A 11351	1/27/64	20
A 11356	1/29/64	10
A 11357	1/29/64	6
A 11355	1/29/64	18
A 11354	1/29/64	18
A 11363	1/30/64	20
A 11364	1/30/64	20
A 11362	1/30/64	20
A 11361	1/30/64	20

INVOICE	DATE	QUANTITY
A 11360	1/30/64	20
A 11372	2/ 4/64	13
A 11371	2/ 5/64	17
A 11370	2/ 5/64	20
A 11369	2/ 5/64	18
A 12263	2/18/64	20
A 12268	2/18/64	20
A 12262	2/18/64	20
A 12265	2/18/64	20
A 12264	2/18/64	29
A 12260	2/18/64	20
A 12261	2/18/64	20

Each of these invoices contained the following reference:

"Gov. Contract No. DA 36-039-AMC-1080 E"

A total of 442 of these defective electron tubes were received by Model from the defendants. All of such tubes were used by Model to fulfill the Contract.

18. In furtherance of the above-described fraudulent scheme, defendants issued a "certificate of compliance" with each shipment of electron tubes to Model. The "Certificate of Compliance" was signed, "Gerald Page, Vice-President, United National Labs," and read as follows:

"It is hereby certified that all materials used in the manufacture of parts in the quantity called for on the subject purchase order received by Model Engineering & Mfg. Corp. conform to the material and/or manufacturing specifications as called for on said purchase order.

Physical, Electrical, and/or Chemical test reports are on file with us or with our suppliers for examination and indicate conformance with applicable specification requirements."

19. As a direct consequence of the aforesaid fraudulent scheme, the claims for payment submitted by Model to

the United States or to higher tier contractors of the United States were false and fraudulent and were then known by the defendants to be false and fraudulent, and the presentation of the said false and fraudulent bills and claims were caused solely and directly by the aforesaid wrongful conduct of the defendants.

20. The defendants, and each of them, thereby became and is jointly and severally liable to the United States.

21. As a further direct consequence of the aforesaid fraudulent scheme, the United States was caused to sustain total damages in the amount of $18,042.44, computed as follows:

> The unit price of "JAN" 4X150G electron tube is $40.82 each; 442 x $40.82 = $18,042.44.

WHEREFORE, the plaintiff, the United States of America, demands judgment against the defendants in the sum of double the damages sustained as a result of defendants' violations of the False Claims Statute; $2,000.00 against each of the defendants for their individual acts in furtherance of the fraudulent scheme; $2,000.00 against each of the defendants for each and every other act done in violation of the False Claims Statute, together with interest and costs of this suit.

DAVID M. SATZ, JR.
United States Attorney

By: /s/ Carolyn E. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil Action File No. 1141-67

[Filed January 19, 1968]

ANSWER OF DEFENDANT, GERALD PAGE, CROSS-CLAIM AND DEMAND FOR TRIAL BY JURY

Defendant Gerald Page answers the complaint herein as follows:

1. This defendant admits the allegations of Paragraph 1.

2. This defendant admits the allegations of Paragraph 2.

3. This defendant denies the allegations of Paragraph 3, insofar as those allegations apply to him except that he admits that he resides at 140 Dean Street, Glen Rock, New Jersey and that he denies knowledge or information as to the allegations with respect to the other defendants.

4. This defendant admits the allegations of Paragraph 4.

5. This defendant denies knowledge or information as to the allegations of paragraph 5.

6. This defendant denies knowledge or information as to the allegations of paragraph 6.

7. This defendant denies knowledge or information as to the allegations of paragraph 7.

8. This defendant denies knowledge or information as to the allegations of paragraph 8.

9. This defendant denies knowledge or information as to the allegations of paragraph 9.

10. This defendant denies knowledge or information as to the allegations of paragraph 10.

11. This defendant denies knowledge or information as to the allegations of paragraph 11.

12. This defendant denies the allegations of paragraph 12 except that he admits that defendant United offered

to sell electronic tube Type 4X150G to Model and that Model ordered 120 JAN 4X150G electronic tubes from United.

13. This defendant denies the allegations of paragraph 13 with respect to him and denies knowledge or information thereof with respect to the other defendants.

14. This defendant denies knowledge or information with respect to the allegations of paragraph 14.

15. This defendant denies knowledge or information with respect to the allegations of paragraph 15.

16. This defendant denies the allegations of paragraph 16 as to him and denies knowledge or information thereof with respect to the other defendants.

17. This defendant denies the allegations of paragraph 17 as to him and denies knowledge or information thereof with respect to the other defendants.

18. This defendant denies the allegations of paragraph 18 except that he admits signing substantially the form quoted therein and relies on the original thereof for the language thereof.

19. This defendant denies the allegations of paragraph 19.

20. This defendant denies the allegations of paragraph 20.

FIRST AFFIRMATIVE DEFENSE

Model ordered and accepted the tubes referred to in the complaint knowing or having reason to know that they did not comply with the terms of its contract with the plaintiff. Any damage suffered by the plaintiff was as a result of the conduct of Model and not the result of the conduct of the defendants herein.

SECOND AFFIRMATIVE DEFENSE

Any acts and conduct of the defendant Page were carried out at the direction of the defendant Bornstein and in all respects this defendant acted as an agent and servant of defendants Bornstein and United and without knowledge on his part of any fraud or other wrongdoing.

THIRD AFFIRMATIVE DEFENSE

The plaintiff suffered no damage as a result of the alleged acts and conduct of the defendants.

CROSS-CLAIM

Defendant Page repeats the allegations of the Second Affirmative Defense set forth above. As a result thereof, the defendants Bornstein and United are required and obligated to indemnify and reimburse the defendant Page for all claims, damages and payments which he may be required to make under the complaint herein.

WHEREFORE defendant Page demands judgment:

(a) Dismissing the complaint herein with costs,
(b) On his crossclaim, for damages against the defendants Bornstein and United in whatever amount may be found against him in favor of plaintiff together with costs;

Defendant demands a trial by jury of all issues in this action.

STAVIS, RICHARDSON, KOENIGSBERG AND ROSSMOORE
Attorneys for defendant
Gerald Page

By /s/ William Rossmoore
William Rossmoore
A Member of the Firm

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Filed January 19, 1968]

ANSWER

Defendant, Philip L. Bornstein, by and through his attorney, Jack Ballan, by way of Answer says:

1. Defendant, Philip L. Bornstein, has no information either to affirm or deny paragraph 1.
2. Said defendant admits paragraph 2.
3. Said defendant admits paragraph 3.
4. Said defendant admits paragraph 4.
5. Said defendant has no information either to affirm or deny paragraph 5.
6. Said defendant has no information either to affirm or deny paragraph 6.
7. Said defendant has no information either to affirm or deny paragraph 7.
8. Said defendant has no information either to affirm or deny paragraph 8.
9. Said defendant has no information either to affirm or deny paragraph 9.
10. Said defendant has no information either to affirm or deny paragraph 10.
11. Said defendant denies paragraph 11.
12. Said defendant denies paragraph 12.
13. Said defendant denies paragraph 13.
14. Said defendant has no information either to affirm or deny paragraph 14.
15. Said defendant admits paragraph 15.
16. Said defendant denies paragraph 16.
17. Said defendant has no information either to affirm or deny paragraph 17.
18. Said defendant denies paragraph 18.
19. Said defendant denies paragraph 19.

20. Said defendant denies paragraph 20.
21. Said defendant denies paragraph 21.

/s/ Jack Ballan
JACK BALLAN
Attorney for defendant

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Filed May 18, 1968]

REQUEST FOR ADMISSIONS

TO: STAVIS, RICHARDSON, KOENIGSBERG and ROSSMORE, ESQS.

Attorneys for defendant Gerald Page
744 Broad Street
Newark, New Jersey

The Plaintiff, the United States of America, hereby requests the defendant, Gerald Page, pursuant to the provisions of Rule 36 of the Federal Rules of Civil Procedure, to admit, within ten days after service of this Request, for the purpose of the above-entitled action only, and subject to all pertinent objections to admissibility which may be interposed at trial, that the following statements are true:

1. That the defendant, Gerald Page, in several signed, sworn statements furnished by him to the Federal Bureau of Investigation stated that it was the defendant, Philip L. Bornstein, who caused the fictitious "JAN" designation to be placed on the electron tubes shipped to Model Engineering and Manufacturing Corp., Inc. (Model).

2. That the defendant, Gerald Page, in a signed, sworn statement furnished by him to the Federal Bureau of Investigation, admitted that he knew that a United States Government Inspector's Stamp (a one inch square in which there is an eagle with three stars over it) had been:

(a) procured by defendant Philip L. Bornstein;

(b) used by defendant Philip L. Bornstein on purchase orders for Electron tubes shipped by defendant United National Labs, Division of Sonora Electromatics,

Inc., (United) to Model required by Model to fulfill Government Contract No. DA-36-039-AMC-01080(E).

3. That the defendant, Gerald Page, in a signed, sworn statement furnished by him to the Federal Bureau of Investigation stated that he knew that the electron tubes shipped from United to Model were falsely branded "JAN-CIM" and were falsely dated.

4. That the defendant, Gerald Page, in a signed, sworn statement furnished by him to the Federal Bureau of Investigation stated that he knew that the tubes sold to Model by United through United—Page, Inc., were "falsely" inspected.

5. That in an indictment dated December 8, 1965, found by the Grand Jury in and for the District of New Jersey, sitting at Newark, the defendant, Gerald Page, was charged with violation of Title 18 U.S.C., Sections 1001, 1002, 371, and 286.

6. That on March 11, 1966, the defendant, Gerald Page, entered a plea of guilty before the Honorable Anthony T. Augelli, United States District Court Judge to Count II of said Indictment which charged as follows:

That from on or about January 24, 1964 through June 3, 1964, in Glen Rock and Paterson, in the State and District of New Jersey,

PHILIP L. BORNSTEIN;
GERALD PAGE

did knowingly, wilfully, and unlawfully, conspire, confederate and combine, and agree with one another, to commit offenses against the United States as follows:

A) PHILIP L. BORNSTEIN and GERALD PAGE conspired to cause to be submitted to an agency of the United States of America, that is, the Chicago Procurement District of the Department of the Army, false and fraudulent statements and representations to material facts in a matter which was then pending before the said agency of the United States, contrary to the provisions of Section 1001, Title 18, U.S.C.

B) PHILIP L. BORNSTEIN and GERALD PAGE conspired to possess false and forged documents

for the purpose of enabling the Model Manufacturing Company to obtain from the United States of America money under a contract that the Model Manufacturing Company then had with the Chicago Procurement District of the Department of the Army, which contract called for the use of items which had been falsely represented by the documents possessed by PHILIP L. BORNSTEIN and GERALD PAGE, contrary to the provisions of Section 1002 of Title 18, U.S.C.

And the Grand Jury further charges:

That in furtherance of the aforesaid conspiracy and to accomplish the objects thereof, the said defendants did commit divers overt acts, among which were the following:

a) On or about January 27, 1964, PHILIP L. BORNSTEIN and GERALD PAGE shipped Invoice No. A11351, accompanied by certain radio tubes to Model Manufacturing Company.

b) On January 24, 1964, PHILIP L. BORNSTEIN and GERALD PAGE sent a letter to Model Manufacturing Company.

In violation of Title 18, U.S.C., Section 371.

7. That pursuant to the aforesaid plea of guilty the defendant, Gerald Page, was sentenced by the Honorable James A. Coolahan, Judge, United States District Court, to imprisonment for two years, the imposition of which was suspended, and placed on probation for two years.

8. That the attached documents designated Exhibit "A", "B" and "C", respectively, photostatic copies of sworn, signed statements furnished by the defendant, Gerald Page, to the Federal Bureau of Investigation are genuine.

DAVID M. SATZ, JR.
United States Attorney

By: /s/ Carolyn F. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

XEROX COPY

40 DEAN ST.
GLEN ROCK, N.J.
OCT 6, 1964

LIBERTY ST. N.Y.C.

I, Gerald Page, make the following statement of my own free will. I was born on October 27, 1925, in Brooklyn, New York. From 1955 until 1962, I was the sole owner of a one man company known as Page Electronics, whose main activity was the buying and selling of surplus electron tubes. I did an annual gross of between $45,000 and $60,000. In January, 1963, my company merged with and was absorbed by a corporation owned by Philip L. Bornstein, called United-National Labs, Inc., with offices at 99 President St., Passaic, N. J. Since Mr. Bornstein's firm did an annual business of $600,000, It was determined by his accountant, Mr. R. O. Bertoli, that I was entitled to 10% of the shares of the newly merged firms, based solely on the ratio of annual gross volume. This I received. In March, 1963, Mr. Bertoli, was instrumental in bringing a Mr. Alfred B. Averell into the firm, who in turn brought someone with $100,000 to invest, and United-National Labs, Inc. thereafter became known as Sonora Electromatics, Inc. Of the 400,000 shares authorized by Sonora, it was determined that I receive 29,000 shares, which I did get. I was elected a Vice-President of the firm, with a (roughly) 7% interest.

In May-June of 1963, Sonora moved to 295 Vreeland Ave., Paterson, N. J. Duties were distributed as follows: Mr Averell and Mr. Bertoli were in charge of the fiscal matters; Mr. Bornstein, since he had many judgements and lawsuits pending against himself, decided not to appear as a corporate officer, but simply as General Manager. He was, however, in charge of the buying and selling of tubes and transistors. Mr. Bornstein, Mr. Bertoli, and Mr. Averell signed the checks for the company, I was subordinate to Mr. Bornstein. Under me, there were between two to four (the number varied depending on Sonora's financial health) salesmen, whose function was solely to sell tubes. Also as part of the production end of the business, there were some 18 employees--- all prior employees of Mr. Bornstein's at United-National Labs, Inc., who did various tasks; Mr. Chester Szpila (12 years with Mr. Bornstein) was foreman. Mrs. Theresa Hibo (14 years in Mr. Bornstein's employ) was forelady. There were a number of women who did sorting, testing, boxing, etc.--- all of whom had been in Mr. Bornstein's employ for periods ranging from 5-10 years. Incidentally, to the best of my knowledge, Mrs. Bornstein owned in her name, her husband's portion of over 100,000 shares of the new Sonora firm.

Part of my duties as Sales Manager, were to follow up tentative enquiries and quotations originally initiated by Mr. Bornstein. There had been correspondence with a firm in Huntington, Indiana named Model Engineering and Mfg. Corp., in our files before I joined United-National Labs, and Mr. B. asked me to "follow it up." I called Model and spoke to Mr. Norm Tipton, a purchasing agent there, and learned that, of six items Mr. Bornstein had quoted on of electron tubes, Model was prepared to place an order for one of those items, tube type 4X150G. Tipton first wished to see 10 samples of the sort of material we would be delivering, in order that his engineering department could satisfy itself as to the quality of what we were delivering. Accordingly, in June of July of 1963 , we sent 10 tubes, type 4X150G to Model for their evaluation. About two months or so later we received a form in the mail from Model attesting to the results of their preliminary inspedtion; as well as I can remember, the results were as follows:

"10—4X150G——no code date
no JAN marking
electrically OK
physically OK
DECISION: ACCEPTED

Mr. Bornstein thereupon call d a company in Chicago, Arthur Richardson and Co., 608 S. Dearborn, and arranged to purchase from them the amount of 4X150G tubes we would need to complete the Model purchase order---I think the original order called for some 962 pieces. We purchased the tubes for $20 each. It was, by the way, from the Richardson Co., that we bought the ten tubes we sent to Model for their test and approval. To insure that Richardson would save the tubes for us alone, Mr. B. sent him a $1000 deposit, which was to apply toward the last order of tubes we bought. As we purchased those tubes from Richardson , we were to pay for them on their arrival at our premises. Shipments to Model, according to the schedule set forth in their P. O., were to begin on November 1st, 1963 and subsequent shipments were to be made on the first of each month thereafter until completion. So, in mid-October, Mr. B. bought 60 tubes from Richardson, sent them, when they arrived to Saxon Labs, 2470 North Jerusalem Road, North Bellmore, L. I., N. Y., to be tested simply for short-circuits or "leakage", and on receipt of the good tubes back from Saxon, forwarded them on to Model. This procedure was followed for the first two shipments.

Some time in the beginning of January 1964, I received a telephone call from Model Engineering. They had asked for Mr. Waxberg originally (a salesman), who after listening,

Exhibit A

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claimed he could not help them and went and told Mr. B. When Model called again, Mr. B. did not speak to them, but asked me to accept the call. I did so. At the other end of the phone were both Tipton, the P. A. and Bob Smart, the chief buyer for Model They asked whether I had any prior experience with government contracts. I told them that I had not, whereupon they proceeded to indicate where we had been remiss; the tubes were not marked JAN, there was no evidence of government source inspection (which would have been indicated by the presence of a particular rubber stamp on the packing slip); they were not properly code dated (which meant that they had to be manufactured within one year of the date of the sale). They suggested that before I get them into any more "hot water", I contact the General Testing Labs in Moonachie, N. J. and learn proper procedure there. I did so, and also learned that the testing charges ($15 per tube) would be prohibitive when added to our individual cost. Model called every day to inquire about our progress, and told us that they were in danger of incurring severe penalties for non-delivery, since they had had to send back the first 120 tubes as inadaquate. I told them I was making little or no progress at all.

We had at this time a working agreement with Cetron Electronics in Geneva, Illinois, and had them buy for our account 60 or so pieces of this tube directly from Eimac , at a cost of $36 per tube. We had agreed to sell to Model for $32 each. We requested the purchase by Cetron to ease some of the pressure. Sixty pieces, however, was not enough of an easement, so I therefore in my next conversation with Model offerred to cancel the entire order. They, however, insisted we perform according to the obligation the purchase order placed us under, and agree with no cancellations. In one of the conversations between Tipton and myself, Model inquired whether we were familiar with Saxon Labs. We were, since Jerry Francoeur the proprietor of Saxon had often done commercial testing for us; and indeed had checked these 120 tubes which they were returning. Tipton explained that Saxon had done work for them in the past and was acceptable by their standards. A call to Saxon verified that he could indeed provide us with source inspection, but that the tubes had to be JAN when he received them, as no inspector he worked with could attest to witnessing a JAN test on a commercial tube. I relayed this information to Phil, who subsequently informed me that the matter was taken care of.

A day or so later Chester told me we had JAN 4X150 G's in the back ready to send to Saxon for test. I called Saxon and notified him to be ready to work around the clock to get these done properly and promptly since the customer was in a "sweat" for them, and we commenced shipments to Saxon. Our procedure was to have our truck driver, Pat Lore, take the tubes to Saxon, pick them up a day or so later when Saxon notified us he had completed the test, and drive over to Long Island City where Saxon's "resident" inspector regularly stayed (the premises were Olympic Radio). The inspector would call Saxon and verify that the packing slips with the serial numbers therein had actually been tested to mil spec, and then put his "eagle" on the packing slip. The driver then brought the tubes back to Vreeland Ave., and we made shipment to Model. We continued this procedure until March 12, 1964 when the premises Sonora occupied at 295 Vreeland Ave. burned to the ground, incidentally destroying 100 tubes which were to be shipped to Model on the following day.

Offices were set up at 2185 Lemoine Ave., Fort Lee, N. J. buth within 10 days, Mr. Bertoli and Mr. Averell informed Mr. B. and myself that our services were no longer required.

On April 1, 1964, Mr. Philip Bornstein and I opened up United-Page Inc., with offices in Glen Rock. My share of the business was 11% and Mr. B. owned, in his wife's name, the other 89%.

Toward the end of April or the beginning of May, we received a call from Norm Tipton. He had, he told me, been trying all over to get 4X150G's to complete his order. Saxon indicated later that Tipton had tried to buy from Unity Electronics, Elizabeth, N. J. and even from Saxon himself. Saxon suggested that Model contact United-Page. I told Phil what Model wanted and he said "Take the order." He bought 4X150 Gtubes from various sources: Ted Dames, 308 Hickory St., Arlington, N. J., Eagle Electronics, 2295 San Pablo Ave., Berkeley California, and Sam Weiner, 56 Howard St., NYC, to name a few. These tubes, when we received them already bore the JAN designation, and most were code dated March 1964--- well within two of the requirements needed to meet approval. Obviously, these were tubes from a recent contract termination. When the first shipment of tubes was supposed to have been made ready to ship to Saxon, Phil pulled out of his pocket a rubber stamp which, when inked, would make the Government Inspector's "Eagle"--he told me that "Tessie found it in her garage." I asked him what he intended doing with it, and he pointed out that the tubes were "obviously" perfect, many of them still originally sealed as they must have come directly from Eimac just a short time before, and since he felt that the firm needed the billing as fast as possible, he did not propose to waste time going through the test procedure

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but would stamp the packing slips with the "Eagle" himself, and ship the tubes directly to Model. He did this again in June on another shipment to Model. A bit later, Model called and explained that they could wait no longer, but events had put them so far behind in deliveries, they were at this time forced to purchase whatever tubes remained on the order directly from Zimac. That was the last I heard from Model.

On August 14, two FBI agents questioned me with respect to the tubes we sent Model from Vreeland Ave., Patterson. When they concluded my interview, and before they spoke to Phil, I approached him in another room, told him what they had asked me, and inquired of him, "By the way, how did we manage to ship Model JAN tubes from Sonora?" His answer was, "I had Tossie re-do the Richardson lot. She put JAN-CIM on the tubes, and dated them so that they fell into the proper time period."

In a sense, this was actually the first I really knew for a fact, what had been accomplished. I simply had not wanted to know.

On Sunday, August 16th, Phil telephoned Jerry Francouer of Saxon Labs at his home and arranged a meeting with Jerry at the Laboratory, for later in the day. He asked Jerry to do him a fozvor and "——see if your inspector friend won't cover for us by saying that he did perform the inspection on the tubes United-Page shipped Model." Jerry said he'd see what could be done. On Monday, Jerry called Phil and notified him that FBI men had already seen the inspector and gone over his records, so it was too late there.

To sum up, the tubes shipped from Sonora to Model were falsely branded "JAN-CIM" and falsely dated; the tubes sold from United-Page were falsely "inspected."

I, Gerald Page, being duly sworn, make the above statements freely and voluntarily to David W. Oldham and Eugene W. Valey, who have identified themselves to me as special agents of the Federal Bureau of Investigation.

I have been told that I do not have to make a statement & any statement I do make can be used against me in a court of law. Special agent David W. Oldham has told me that I have the right to talk to a lawyer of my own choice, which I have done before saying anything at all, & no threats, promises, or offers of reward have been made in order to induce me to make this statement.

I have prepared the above statement consisting of 3 typewritten pages and swear that it is the truth.

Gerald Page

Sworn to and subscribed before me on
October 6, 1964 at Paterson, N.J.
David W. Oldham - Special Agent F.B.I. Paterson N.J. 10/6/64
Witness:
Eugene W. Valey Special Agent FBI Hackensack N.J. 10/6/64.

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140 Dean Street
Glen Rock, New Jersey
October 6, 1964

Part 2———1

I, Gerald Page, make the following statement of my own free will. I was born on October 27, 1925, in Brooklyn, New York. I live at 140 Dean Street, Glen Rock, N. J. On April 1st, 1964, Phil Bornstein and I organized a suplus electronics business known as United-Page, Inc., with offices at 7 Main St., Glen Rock, N. J. My share of the business was 11% and Phil owned, in his wife's name, the other 89%. The following narrative has to do with matters other than those pertaining to Model Engineering and Mfg. Corp., which involve Government Source Inspection.

United-Page Inc. has a Canadian account named Cesco Electronics Ltd., 275 Craig St. W. Montreal, Canada. In one of my conversations with Cesco's purchasing agent, sometime in April 1964, he asked whether we could supply JAN tubes. (I should explain that tubes are designated, in the surplus trade, as either a) Commercial: which means only that the tube was produced by a commercial manufacturer; and b) JAN; which means that the tube was orignally made for some Governmental application, and that to be acceptable to the Government, it had to pass more stringent tests than those that applied to the Commercial types. It is common for suplus dealers to request from each other: "I need commercials only on this deal." Or, conversely, "I have to have JANs for this sale." In this context JAN does not mean that the buyer wishes Source Inspection performed—— he only wants what he considers a more rugged and reliable tube. So when Cesco asked for JAN tubes, I replied in the affirmative. Subsequently we got a number of orders for JAN tubes from them, and the only notations were the designations "JAN" alongside each particular type. Phil, to enhance his sale in his customer's eyes, and allow him to think he was getting even more than he asked for, proceeded to "Eagle" the packing slips pertaining to these orders. Cesco now believed he was getting Source Inspection even when ordered tubes at surplus prices. In May—June, we began receiving orders from Cesco bearing the notation: "For Canadian Dept. of Transport", with an official Canadian Governmental Purchase Order Number marked therein. They were now requesting Source Inspection! I told Phil I would prefer not filling these orders, but he replied, that——"as long as we have Saxon give it a good stiff commercial test, we're OK." So we filled some of these early orders and the "Eagle" was affixed in each case. After several shipments, I got a telephone call from a Miss Grinda, attached to the office of the Inspector of Naval Material in Mountainside, N. J. She told me she had a number of purchase order follow-ups pertaining to Cesco Electronics, and would I tell her when and where a Naval Inspector could perform his inspection. I told her we had cancelled those orders as we were unable to comply with the requests for source inspection. As a matter of fact, on a pretext, I had Cesco return to us a recently "Eagled" shipment, and on its arrival at United-Page, had a credit issued them and cancelled the order unilaterally. I also unilaterally cancelled all the remaining purchase orders from Cesco that were still in the place, where source inspection was needed. Cesco has repeatedly asked us to deliver the material, and I have insisted we are unable to. Lately, Phil has been making promises to Cesco that, "in a week or so," he'll be able to begin avew delivering GSI orders. In addition to Cesco, basically the same procedures have been carried out with orders received from Thompson Radio Supply, 182 East Long St., Columbus, Ohio; and Jetronics, Inc., Philadelphia, Penn. The activities mentioned above were done from May through August, 1964, on a more or less simultaneous basis.

On August 14, 1964, after two FBI agents interviewed both me and Phil, he gave me the "Eagle" stamp and asked me to destroy it. He cautioned Tessie, Chester and myself that we should "....deny knowledge of anything, or they'll lock you up and throw the key away; for you're all as guilty as I am But if we stick together, we can beat them." He pulled out of their normal sequence in our files all the purchase orders we had gotten from the above noted companies, all the packing slips, and all the covering invoices---everything that in any way bore a reference to Government Source Inspection. He put these papers in the drawer of a small end-table adjoining his desk, on which he keeps a dictating machine. He told me he intended re-writing these papers so that no reference to GSI or Mil Spec (a term meaning Military Specification) would appear. I took the "Eagle" stamp Phil gave me, but instead of destroying it, held on to it.

With respect to the "Eagle" stamp, to the best of my knowledge, it was Pat Lore, our truck driver, who obtained it. Pat's home phone number, I believe, is 843-3118; his answering service, I think is HU-9-9062. Pat has a close friend at Krengel Stamp Works (Telephone 298-6475) named, I think, Jack Kelly. Pat said that Kelly would do anything for him, and had made the "Eagle" that Tessie purportedly found in her garage. In fact, Pat has claimed that he has had a few "EAGles" made for some of the "boys" in the trade

Exhibit B

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"who are my friends". Since Phil fired Pat, he has been unable to get stamps made by Kelly.

I explained the entire situation to my lawyer, Mr. Leon Savetsky on Monday, Aug. 17, and he advised that the best thing to do under the circumstances was for Phil and myself to go to the FBI and make a full and complete statement of the truth.. He further advised, "Don't destroy the stamp, save it; and don't destroy any documents. If Phil insists on destroying anything, don't you take any part in it." On Aug. 24th, my wife, I, my attorney and Phil met at the offices of Phil's attorney to discuss this matter. My lawyer again advised that we go to the FBI and make a full statement. Phil indicated that he would like more time in order to be able to consult still another attorney. Aweek or so passed before he consulted another man. Phil reported that this attorney, like his original attorney, had advised to "sit tight." Several more days passed and it became evident that Phil was not going to make a statement. I decided then that I would leavehin, and disclose the facts on my own.

While awaiting Mr. Savetsky's making an appointment with the FBI, I came into my office on Thursday, Sept. 21st, and found our secretary working on some thirty invoices. Recognizing the name on one and the nature of its contents, I asked her what she was doing. She told me that Mr. Bornstein had told her to re-write that pile of invoices, omitting the words JAN and any other references to GSI that appeared on the original. (The girl's name is Joan Haug, she lives in Fair Lawn, N. J. and is being married on Oct. 10th). I blew up at Phil and reminded him o his word to at least not tamper with any evidence; but his answer was that he wanted the place clean in the event we were ever raided or our books subpoenaed.

Thereafter, on Tuesday, Sept. 29, I went to the office of the FBI in Patterson, and told Agents Mr. Vehey and Mr. Oldham in substance what I have set forth in this statement and in the accompanying statement pertaining to the Model transactions and turned over to them the "Eagle" stamp which Phil gave me.

I, Gerald Page, being duly sworn, make the above statements freely & voluntarily to David W. Oldham and Eugene W. Vahey, who have identified themselves to me as Special agents of the Federal Bureau of Investigation.

I have been told that I do not have to make a statement, & any statement I do make can be used against me in a court of law. Special agent David W. Oldham has told me that I have the right to talk to a lawyer of my own choice, which I have done before saying anything at all. No threats, promises, or offers of reward have been made in order to induce me to make this statement.

I have prepared the above statement consisting of 2 typewritten pages and swear that it is the truth.

Gerald Page

Sworn and subscribed to before
me on October 6, 1964 at Paterson, N.J.
David W. Oldham, Special Agent F.B.I. Paterson, N.J. 10/6/64

Witness:
Eugene W. Vahey, Special Agent, F.B.I. Hackensack, N.J. 10/6/64.

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EXHIBIT C

Paterson, New Jersey
15 October 1964

I, Gerald Page, being duly sworn hereby make the following free and voluntary statement to David W. Oldham and Eugene W. Vahey, who have identified themselves to me as Special Agents of the Federal Bureau of Investigation.

I have been told that I do not have to make a statement, and any statement that I do make may be used against me in a court of law. Special Agent David W. Oldham has told me that I have the right to talk with a lawyer of my own choice or anyone else, before saying anything at all. No threats, promises, or offers of reward have been made in order to induce me to make this statement.

I was born October 27, 1925 at Brooklyn, New York, and currently reside at 140 Dean Street, Glen Rock, New Jersey. I am presently a part owner of United-Page, Incorporated, Glen Rock, New Jersey. From 1955 until 1962, I was the sole owner of a one man company known as Page Electronics, New York, New York, whose main activity was the buying and selling of surplus electronic tubes. I did an annual gross business of between $45,000.00 and $60,000.00. During January, 1963, my company merged with and was absorbed by a corporation owned by Philip L. Bornstein, called United National Labs, Inc., with offices at 99 President Street, Passaic, New Jersey. Since Mr. Bornstein's firm did an annual business of $600,000.00, it was determined by his accountant, Mr. R. O. Bertoli, that I was entitled to 10 per cent of the shares of the newly merged firms. This was based solely on the ratio of annual gross volume of business. The investment of merchandise, cash and other assets was at about the same ratio. As a result, I received 10 per cent of the stock of the newly formed company.

In March, 1963, Mr. Bertoli was instrumental in bringing a Mr. Alfred B. Averell into the firm who,

in turn, brought Douglas B. Westin into the firm with $100,000.00. The United National Labs., Inc., thereafter became known as Sonora Electromatics, Inc. Of the 400,000 shares authorized by Sonora, it was determined that I receive 29,000 shares, which I did get. I was elected a vice president of the firm with approximately a 7 per cent interest.

During May or June, 1963, Sonora moved to 295 Vreeland Avenue, Paterson, New Jersey. Duties were distributed as follows: Mr. Averell and Mr. Bertoli were in charge of the fiscal matters; Mr. Bornstein, since he had many judgments and law suits pending against himself, decided not to appear as a corporate officer, but simply as general manager. He was, however in charge of buying and selling of tubes and transistors. Mr. Bornstein, Mr. Bertoli and Mr. Averell signed the checks for the company; I was subordinate to Mr. Bornstein. Under me, there were two to four salesman whose function was solely to sell tubes. Also, as part of the production end of the business, there were eighteen employees, all of which were prior employees of Mr. Bornstein's at United National Labs, Inc. Chester Szpila, who had been with Bornstein for approximately twelve years, was foreman. Theresa Hibo, who had been with Bornstein approximately fourteen years, was forelady. Pat Lore did the trucking for Bornstein. Approximately sixteen other individuals did sorting, testing, boxing, et cetera.

Philip Bornstein's share of the stock in this company was held in the name of his wife, Mrs. Bornstein. She held over 100,000 shares of the new Sonora firm.

Part of my duties as sales manager were to follow up tentative inquiries and quotations originally initiated by Mr. Bornstein. There had been correspondence with a firm in Huntington, Indiana, named Model Engineering and Manufacturing Corporation in our files before I joined United National Labs, and Mr. Bornstein asked me to "follow it up." I called Model and spoke to Mr. Norm Tipton, a purchasing agent at Model, and learned that of six items Mr. Bornstein had quoted on of electron tubes, Model was prepared to place an order for one

of those items, tube type 4X150G. Tipton first wished to see ten samples of the sort of material we would be delivering, in order that his engineering department could satisfy itself as to the quality of what we were delivering. Accordingly, in June or July, 1963, we sent ten tubes, type 4X150G, to Model for their evaluation. These ten tubes were obtained from Arthur Richardson and Company, Chicago, Illinois a tube distributor. About two months or so later, we received a form in the mail from Model attesting to the results of their preliminary inspection. To the best of my recollection the results were as follows: 10 4X150G—no code date, no JAN marking, electrically OK, physically OK, decision: accepted.

Mr. Bornstein thereupon called Arthur Richardson and Company, 608 South Dearborn Street, Chicago, Illinois, and arranged to purchase from them the amount of 4X150G tubes we would need to complete the Model purchase order. I think the original order called for approximately 968 tubes. We purchased the tubes for $20.00 each. To insure that Richardson would save the tubes for us alone, Mr. Bornstein sent him a $1,000.00 deposit which was to apply towards the last order of tubes we bought. As we purchased these tubes from Richardson we were to pay for them on their arrival at our premises. Shipments to Model, according to the schedule set forth in their purchase order were to begin November 1, 1963, and subsequent shipments were to be made on the 1st of each month thereafter until completion.

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so informed Mr. Bornstein. When Model called again, Mr. Bornstein did not speak to them, but asked me to accept the call. I did so. At the other end of the phone were both Tipton, the purchasing agent, and Bob Smart, the chief buyer for Model. They asked whether I had any prior experience with government contracts. I told them that I had not, whereupon they proceeded to indicate where we had been remiss: the tubes were not marked JAN, there was no evidence of government source inspection which would have been indicated by the presence of an eagle on the packing slip, they were not properly code dated, (they had to be manufactured within one year of the date of the sale). Tipton and Smart suggested that before I get them into any more "hot water" I contact the General Testing Labs in Moonachie, New Jersey, and learn proper procedure there. I did so and also learned that the testing charges, in the amount of $15.00 per tube, would be prohibitive when added to our individual cost. Model called every day to inquire about our progress, and told us that they were in danger in incurring severe penalties for nondelivery, since they had had to send back the first 120 tubes as inadequate. I told them I was making little or no progress at all.

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A day or so later, Chester Szpila told me we had JAN 4X150G's in the back ready to send to Saxon for tests. I called Saxon and notified him to be ready to work around the clock to get these done properly and promptly since the customer was in a "sweat" for them, and we commenced shipments to Saxon. Our procedure was to have our truck driver Pat Lore take the tubes to Saxon, pick them up a day or so later when Saxon notified us he had completed the test, and drive over to Long Island City where Saxon's "resident inspector" regularly stayed. This inspector, working for the United States Government, was Irving Chergin and he was stationed at Olympic Radio Company, Long Island City. The inspector would call Saxon and verify that the packing slips with the serial numbers thereon had actually been tested to military specifications and then put his "eagle" on the packing slip. The "eagle" is a rubber stamp in possession of the United States Government inspector which, when placed on the shipping document, denotes that the items being shipped were inspected at source. Pat Lore then brought the tubes back to Vreeland Avenue, Paterson, New Jersey, and we made shipments to Model. We continued this procedure until March 12, 1964, when the premises Sonora occupied at 295 Vreeland Avenue, Paterson, New Jersey, burned to the ground. This fire destroyed 100 tubes which were to be shipped to Model on the following day.

New offices were set up at 2185 Lemine Avenue, Fort Lee, New Jersey. Ten days later, Mr. Bertoli and Mr. Averell informed Mr. Bornstein and myself that our services were no longer required.

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When the first shipment of tubes was supposed to have been made ready to ship to Saxon, Bornstein pulled out of his pocket a rubber stamp which when inked would make the government inspector's "eagle." Bornstein told me that "Tessie found it in her garage." Tessis is Theresa Hibo, the forelady. I asked Bornstein what he intended doing with it, and he pointed out that the tubes were "obviously" perfect—many of them still originally sealed as they must have come directly from Eimac just a short time before—and since he felt that the firm needed the billing as fast as possible, he did not propose to waste time going through the test procedure. Bornstein stated that he would stamp the packing slips with the "eagle" himself and ship the tubes directly to Model.

Bornstein again stamped the shipping document on a second shipment made during June, 1964, to Model. Subsequently to this second shipment, Model called and

explained that they could wait no longer, but events had put them so far behind in deliveries they were, at this time, forced to purchase whatever tubes remained on the order directly from Eimac. That was the last I heard from Model.

On August 14, 1964, immediately subsequent to my interview with Agents David W. Oldham and Eugene W. Vahey of the Federal Bureau of Investigation regarding the tubes sent to Model Engineering, I advised Philip Bornstein of the nature of the inquiry by the Federal Bureau of Investigation. At this time I said to Bornstein, "By the way, how did we manage to ship JAN tubes from Sonora to Saxon Laboratories for testing?" His answer was, "I had Tessie redo the Richardson lot. She put JAN-CIM on the tubes and dated them so that they fell into the proper period."

In a sense, this was actually the first I really knew for a fact what had been accomplished. I simply had not wanted to know.

On Sunday, August 16, Philip Bornstein telephoned Jerry Francoeur, owner of Saxon Labs, at his home and arranged a meeting with Francoeur at the laboratory for later in the day. He asked Francoeur to do him a favor. He wanted Francoeur to see his friend the inspector to see if he would cover up for United-Page, Inc., by saying that he performed the inspection on the tubes shipped by United-Page, Inc., to Model. I was present at this meeting which took place on the premises of Saxon Labs. On Monday, August 17th, Jerry Francoeur telephoned us at United-Page, Inc., and in a three-way conversation told us that Agents of the F.B.I. had already seen the inspector, gone over his records, and that he, the inspector, could therefore not do the favor requested.

On Friday, August 14th, 1964, when the two special agents had concluded their interviews of Mr. Bornstein and myself, and had gone, Mr. Bornstein took his 'eagle' stamp from his desk drawer, gave it to me, and asked me to destroy it. I did not do this.

I have read the foregoing statement consisting of this and eleven other typewritten pages. I have initialed

each page and all corrections. This statement is true to the best of my knowledge.

/s/ Gerald Page

Sworn to and subscribed before me on October 15, 1964 at Paterson, N.J.

/s/ David W. Oldham
Special Agent F.B.I.
Paterson, N.J.

Witness:

/s/ Eugene W. Vahey
Special Agent, F.B.I.
Hackensack, N.J.

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Filed May 15, 1968]

REQUEST FOR ADMISSIONS

TO: JACK BALLAN, ESQ.
Attorney for defendant Philip L. Bornstein
14-25 Plaza Road
Fair Lawn, New Jersey 07410

The Plaintiff, the United States of America, hereby requests the defendant, Philip L. Bornstein, pursuant to the provisions of Rule 36 of the Federal Rules of Civil Procedure to admit within ten days after the service of this Request, for the purpose of the above-entitled action only, and subject to all pertinent objections to admissibility which may be interposed at trial, that the following statements are true:

1. That the defendant, Philip L. Bornstein, in a signed, sworn statement furnished by him to the Federal Bureau of Investigation stated that the sale of Electron tubes by United National Labs, Division of Sonora Electromatics, Inc. (United) to Model Engineering and Manufacturing Co., Inc. (Model) was handled by the defendant, Gerald Page.

2. That in an indictment dated December 8, 1965, found by the Grand Jury in and for the District of New Jersey, sitting at Newark, the defendant, Philip L. Bornstein, was charged with violation of Title 18 U.S.C., Sections 1001, 1002, 371, and 286.

3. That on March 11, 1966, the defendant, Philip L. Bornstein, entered a plea of guilty before the Honorable Anthony T. Augelli, United States District Court Judge to Count II of said indictment which charged as follows:

That from on or about January 24, 1964 through June 3, 1964, in Glen Rock and Paterson, in the State and District of New Jersey,

PHILIP L. BORNSTEIN;
GERALD PAGE

did knowingly, wilfully, and unlawfully, conspire, confederate and combine, and agree with one another, to commit offenses against the United States as follows:

A) PHILIP L. BORNSTEIN and GERALD PAGE conspired to cause to be submitted to an agency of the United States of America, that is, the Chicago Procurement District of the Department of the Army, false and fraudulent statements and representations to material facts in a matter which was then pending before the said agency of the United States, contrary to the provisions of Section 1001, Title 18, U.S.C.

B) PHILIP L. BORNSTEIN and GERALD PAGE conspired to possess false and forged documents for the purpose of enabling the Model Manufacturing Company to obtain from the United States of America money under a contract that the Model Manufacturing Company then had with the Chicago Procurement District of the Department of the Army, which contract called for the use of items which had been falsely represented by the documents possessed by PHILIP L. BORNSTEIN and GERALD PAGE, contrary to the provisions of Section 1002 of Title 18, U.S.C.

And the Grand Jury further charges:

That in furtherance of the aforesaid conspiracy and to accomplish the objects thereof, the said defendants did commit divers overt acts, among which were the following:

a) On or about January 27, 1964, PHILIP L. BORNSTEIN and GERALD PAGE shipped Invoice No. A11351, accompanied by certain radio tubes to Model Manufacturing Company.

b) On January 24, 1964, PHILIP L. BORNSTEIN and GERALD PAGE sent a letter to Model Manufacturing Company.

In violation of Title 18, U.S.C., Section 371.

7. That pursuant to the aforesaid plea of guilty the defendant, Philip L. Bornstein, was sentenced by the Honorable James A. Coolahan, Judge, United States District Court, to imprisonment for two years, the imposition of which was suspended, and placed on probation for two years.

DAVID M. SATZ, JR.
United States Attorney

By: /s/ Carolyn E. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Dated May 24, 1968]

ANSWER TO REQUEST FOR ADMISSIONS

TO: DAVID M. SATZ, JR., ESQ.
United States Attorney
Attorney for Plaintiff
Federal Building
Newark, New Jersey 07102

Defendant, GERALD PAGE, denies requests num bered 1, 2, 3 and 4 of the Request for Admissions served upon him upon the basis that the statements set forth therein are taken out of context and do not fully and accurately reflect the content of the statements which the defendant has admitted by not answering request for admissions #8.

/s/ Gerald Page
GERALD PAGE

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

[Filed April 30, 1969]

ANSWERS TO REQUESTS FOR ADMISSIONS

TO: UNITED STATES ATTORNEY
Federal Building
Newark, New Jersey

The defendant Philip L. Bornstein, hereby forwards answers to Request for Admissions in the above matter:

1. Defendant has no recollection of paragraph 1.
2. Defendant admits paragraph 2.
3. Defendant Philip L. Bornstein admits the entry of a plea of guilty to Count II of an indictment, but said defendant denies the factual allegations as enumerated in the Request for Admissions.
4. The copy of the Request for Admissions in the hands of defendant is Nos. 1, 2, 3 and 7. Defendant has not been served Request Nos. 4, 5 and 6.

/s/ Philip L. Bornstein
PHILIP L. BORNSTEIN

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil Action No. 1141-67

[Filed April 13, 1973]

STIPULATION OF FACTS

It is hereby stipulated and agreed, by and between the plaintiff, United States of America, and the defendants, Philip L. Bornstein and Gerald Page, that the following statements, which are true, and the documents listed in the Schedule A, attached hereto and made a part hereof, which are genuine copies of the originals, shall, without further proof being adduced, constitute all of the evidence in the above-entitled action, and that by so stipulating and agreeing the parties to this action do not waive any right to contest, argue, or advance, to this or any higher Court, the proposition that any or all such statements or documents are not, as a matter of law, relevant, pertinent or material to this action.

1. This is a civil action brought by the United States pursuant to the provisions of §§ 3490 and 5438 of the Revised Statutes, 12 Stat. 696, Title 31 U.S.C. §§ 231, 233, to recover the forfeitures and double damages provided by § 3490. This Court has jurisdiction of this action by virtue of § 3491 of the Revised Statutes, 31 U.S.C. 232, as amended.

2. At all times hereinafter mentioned, defendant United National Labs, Division of Sonora Electromatics, Inc. (hereafter United) was and is a corporation of the State of New Jersey with principal offices of business at No. 295 Vreeland Avenue, Paterson, New Jersey, was engaged in the business of buying and selling electron tubes, and is within the jurisdiction af this Court.

3. At all times hereinafter mentioned, defendant Philip L. Bornstein was part owner and General Manager of United and defendant Gerald Page was part owner, Vice-President and Manager of Sales of defendant United. Defendant United was operated and managed by defendants Philip L. Bornstein and Gerald Page. Defendant Philip L. Bornstein resides at No. 51 Spottswood Road, Glen Rock, New Jersey, and is within the jurisdiction of this Court. Defendant Gerald Page resides at No. 140 Dean Street, Glen Rock, New Jersey, and is within the jurisdiction of this Court.

4. None of the defendants were in the military or naval forces of the United States, or in the militia or called into or actually employed in the service of the United States, during the times involved in this action.

5. At all times hereinafter stated Model Engineering and Manufacturing Corp., Inc. (hereafter Model), was and is an Indiana corporation, with principal offices at Huntington, Indiana, engaged in the business of manufacturing and building electronic radio equipment and radio sets.

6. At all times hereinafter stated the United States Army Signal Supply Agency and the Chicago Procurement District were divisions of the Department of the Army, an agency and instrumentality of the plaintiff, vested with the responsibility for the procurement of electronic equipment and parts for the Department of the Army, as authorized by 10 U.S.C. 2304 (public law 1028, 84th Congress).

7. By Supply Contract No. DA-36-039-AMC-01080(E), (hereafter Contract, Exhibit G-22 herein) dated August 29, 1962, between the United States Signal Supply Agency and Model, Model undertook to manufacture for and supply to the Department of the Army Radio Kit Sets, each of which was to contain the following sub-items: A radio transmitter kit, a radio receiver kit, a power supply kit, a radio transformer kit, and a radio accessory kit. The total dollar volume of the contract and its supplements was $2,096,583.08.

The component parts list of this contract specified that Sub-item #1-5-33, to be included in the radio accessory kits, called for:

> "2 ea. Tube, Electron JAN type 4X150G Per Specifications, MIL. E-1 and TSS MIL. E-1, 302 E dated 4/17/57"

The Specifications pertinent to JAN type tube 4X150G provided as follows:

3.7.1.1 "JAN" prefix. The designation of all tubes procured under this specification shall bear the prefix "JAN" except that in the case of small tubes (T-6 ½ bulb outline or smaller) the prefix "J" shall be used. Tubes procured under a contract which either permits or requires any changes in any of the conditions or requirements of this specification shall not bear the prefix "JAN" nor any abbreviation thereof. The "JAN" brand is registered under number 504860 by the United States Patent Office and shall be used only on tubes which have passed Government inspection.

3.7.1.2 Qualification code. The qualification code marking follows the "JAN" prefix. This designation is assigned to the manufacturer for use on all tube types of his manufacture which have passed the qualification tests and have been approved for inclusion on the Qualified Products List. The code-designating letters shall be as listed in Publication NAVSHIPS 900,152. The code-designation shall be used only by the manufacturer to whom it has been assigned and only as a part of the designation on tubes manufactured at the plant to which the qualification approval was granted. In the case of small tubes (see 3.7.1.1), the manufacturer's code designation may be abbreviated by deleting "C" (the indication that the code has been assigned to a commercial organization in the United States or Canada).

3.7.1.2.1 Tubes not having qualification. Tubes procured under this specification from a source of supply for which no qualification approval has been granted, shall be marked "JAN" followed by the type on the side wall of the base, or on the envelope of metal, loc-in tubes, or other glass tubes, or on the bulb of tubes without bases. The prefix "J", abbreviation for "JAN", shall be used only as specified in 3.7.1.1. The manufacturer's code name which signifies qualification shall not be used on any part of the tube.

8. The JAN 4X150G electron tubes are not manufactured for commercial use; they are manufactured

only for military equipment. Surplus or obsolete 4X150G electron tubes which contain the "JAN" designation and which were originally manufactured for military equipment, can be used commercially.

9. The only authorized manufacturer of the 4X150G electron "JAN" tube during all times referred to in the Complaint and from 1957 to 1964 was Eitel McCullough, Incorporated, of San Carlos, California (hereafter Eimac). The "JAN" designation on the tubes which can only be placed thereon by the manufacturer after they have passed Government source inspection, is an abbreviation for the *J*oint *A*rmy *N*avy qualification approval standard registered by the United States Patent Office (Exhibit G-24 herein). A tube with "JAN" designation indicates it has been inspected and approved by the United States Government at the source (place) of manufacture, during the manufacturing process.

10. Model, as contractor, made the following certification in the Contract:

> "The offeror/contractor certifies that the material offered is new, recently manufactured, has never been used and is not former surplus of any type."

11. Due to the requirements of the equipment specifications and complete "JAN" tests, as required by the "JAN" specifications, the use of a commercial tube which is non-"JAN" branded, or a surplus or obsolete 4X150G tube bearing the "JAN" brand designation, required prior written approval from the Government Contracting Officer administering the Contract. No such approval had been given to Model.

12. In 1963, defendants Philip L. Bornstein and Gerald Page, acting through defendant United, offered to sell electron tube type 4X150G to Model, which were required by Model under the Contract, and Model ordered 120 JAN 4X150G electron tubes from defendants.

13. In December 1963, two shipments of 4X150G tubes, 120 in number, were sent by the defendants to Model, but did not have "JAN" stamped on the tubes which indicated to Model that the tubes were not source inspected as called for under the Contract. Model re-

turned them to the defendants because they were not source inspected nor properly stamped.

14. Model became concerned that United might not be able to furnish the required tubes which met the specifications of the contract and asked that United confirm in writing that proper tubes could be furnished.

15. By letter dated January 24, 1964, signed by defendant Philip L. Bornstein, Vice-President, United National Labs, Model was advised as follows:

> "This letter is to stand as affirmation by us that we are fully equipped and capable to delivery (sic) any and all electron tubes and semi-conductors on which we accept purchase orders from you to the applicable military specifications and government source inspection supplied as required."

16. (a) Inherent in the "JAN" concept is a system of testing procedures, developed by the Government, which a manufacturer of electronic equipment for Government use, as well as the product he manufactures, must continuously undergo. Under this system, the Government is assured of the capability, reliability and interchangeability of electronic equipment produced for its use in Military Equipment.

(b) In order for a manufacturer of electronic equipment to *qualify* to produce "JAN" branded electron tubes, he must first pass the following four qualifying tests conducted by the Government during the Qualifying Testing period:

1. *Environmental Testing*—Manufacturer must demonstrate that he can control the environment of his plant for electronic equipment production;

2. *Design Testing*—Manufacturer must demonstrate that he has the engineering capability to develop and produce high quality electronic equipment, and develop and produce engineering changes, when needed;

3. *Production Testing*—Manufacturer must demonstrate his capability to continue to produce, over a sustained period of time, the electronic equipment; and

4. *Life Testing*—Manufacturer must demonstrate that the electronic equipment manufactured by him can continually perform for the period of time required in Government Specifications. In the case of electron tubes, such manufacturer must demonstrate that it will perform for at least 500 hours.

(c) After passing the Qualifying Tests, the manufacturer becomes qualified to manufacture the electronic equipment concerned as "JAN" branded. In the case of electron tubes, the tube type he produces is listed in the Government's Qualified Products List, and he is assigned a Qualification code, also listed in the Qualified Products List, which designates him as the Qualified Manufacturer of the particular electron tube.

(d) Thereafter, all electron tubes to be "JAN" branded by the Qualified Manufacturer must continuously undergo production, life, and design testing during the manufacturing process. The life test is performed on a sample basis since this test destroys the tube. The production test, part of MIL-E-1, could physically be performed by an independent laboratory.

(e) To assure that electron tubes made by the Qualified Manufacturer are so tested, Government Source Inspectors are present at the Qualified Manufacturers plant, in either a resident or visiting capacity, to conduct the tests while the electron tubes are being produced.

(f) Only after the electron tubes pass all of the tests —design, life, production—can the Qualified Manufacturer imprint the "JAN" designation, followed by his Qualification Code designation symbol, on them.

(g) During these imprinting procedures, an acceptance code date, a four digit number, which must coincide with the year and week of manufacture, is affixed to the electron tube. For example, the acceptance code date 6318 indicates that the electron tube was "JAN" inspected in the 18th week of the year 1963.

(h) As proof of Government Source Inspection of such "JAN" branded electron tubes, the Government In-

spector imprints his "Eagle" acceptance stamp on the packing slips accompanying the shipment of the tubes, *and* under a written certification that the tubes have been source inspected and have passed all of the required tests, affixes his signature.

(i) Because of the testing requirements, "JAN" branded electron tubes are produced only when a specific order is placed therefor. They are never stocked or kept on the shelf.

(j) Under the JAN system as a matter of policy, tubes more than one year old are not JAN tested at the point of manufacture.

(k) Genuine "JAN" branded electron tubes can be sold only to the Government or for Government use. They can be sold either directly to the Government or to someone who has a Government Contract calling for their use. They are not sold to tube distributors.

(l) The Qualification code assigned to Eimac for use on all tube types of its manufacture which have passed the qualification tests and have been approved for inclusion on the Qualified Products List was and continues to be: CIM.

(m) Eimac's qualification code—CIM—could only be used by Eimac on electron tubes manufactured at the plant to which qualification approval to produce such electron tubes was granted. An electronic tube "JAN" branded by Eimac would be marked thusly: "JAN-CIM".

(n) Eimac engraved serial numbers on all 4X150G electron tubes it manufactured. Inherent in the prefix of each tube serial number, the first two digits, is Eimac's internal date-code system from which the year and month of the manufacture of each electron tube is readily determined.

(o) The serial number code-date prefix is a combination of one letter of the alphabet and one number. The letter of the alphabet designates the month and the number designates the year.

The first 12 letters of the alphabet, A through L, inclusive, were assigned to January to December, inclusive. The letter A designates January, the letter B, February, the letter C, March, and so forth.

The last digit of each calendar year, numbers 0 through 9, inclusive, is the other digit of the tube serial number date-code prefix.

(p) During the years 1950-1960, inclusive, Eimac's date-code prefix was a letter of the alphabet followed by a number. For example, a serial number prefixed A0 indicates that the electron tube was manufactured in January, 1960. A serial number prefixed L9 indicates that the electron tube was manufactured in December, 1959.

During the years 1960-1970, inclusive, Eimac's date-code prefix was a number followed by a letter of the alphabet. For example, a serial number prefixed 1B indicates that the electron tube was manufactured in February, 1961. A serial number prefixed 2C indicates that the electron tube was manufactured in March, 1962.

17. (a) On April 30, 1963, Arthur H. Richardson, Inc., a distributor of electron tubes and franchised distributor of Eitel McCullough, Inc. (Eimac), purchased 451 4X150G tubes, which had been placed in termination inventory due to a design change and which had never been used, for $15.52 per tube which was their market price (Exhibit G-44, herein).

(b) In 1963, non obsolete JAN 4X150G tubes had a market price of $40 per tube.

(c) On May 10, 1963, Gerald Page wrote to Model advising that United was capable of supplying 945 JAN 4X150G electron tubes for $32 per tube (Exhibit G-33, herein).

(d) In July, 1963, the defendants purchased 10 4X 150G tubes from Arthur H. Richardson, Inc. and shipped them to Model for sampling. In September, 1963, Model sent a form to United which advised them of the following facts concerning the 10 4X150G tubes preliminary inspection:

no code date

no JAN marking

electrically OK

physically OK

Decision: accepted

(e) On December 26, 1963, Model issued to United a Purchase Order for 1008 JAN 4X150G electron tubes for $32,256 or $32 per tube which called for a regular monthly delivery of tubes (Exhibit G-26(c), herein).

(f) The defendants knew that the 4X150G tubes they would sell to Model were for use in the Contract, although they never saw a copy of the Contract.

(g) In December 1963, the defendants shipped 120 4X150G electron tubes to Model and in early January, 1964, Model returned the tubes as unacceptable because they were not JAN tubes and had not been government source inspected.

(h) On January 24, 1964, Philip Bornstein wrote to Model and advised that United was capable of delivering all tubes under Model's Purchase Orders which meet the applicable military specifications and government source inspection as required (see paragraph 15 above).

(i) United purchased 380 of the aforesaid 451 4X 150G tubes from Arthur H. Richardson, Inc. for $17.50 per tube under the following invoices, prior to the sale by United to Model:

(1) Invoice 10149 dated 1/4/64 covering 125 tubes (Exhibit G-27(a) herein);
(2) Invoice 10397 dated 2/17/64 covering 150 tubes (Exhibit G-27(b) herein);
(3) Invoice 10506 dated 3/6/64 covering 103 tubes (Exhibit G-27(c) herein); and
(4) Invoice 09950 dated 11/23/63 covering 2 tubes (Exhibit G-27(d) herein).

(j) The defendants then affixed or caused to be affixed to the 4X150G tubes which they had in their possession in January 1964 and which they acquired from Arthur H. Richardson, Inc., the following markings:

(1) The JAN designation;
(2) The Manufacturer's Qualification Code (CIM); and

(3) The acceptance date (6318),

which the defendants knew were false and inaccurate.

(k) From January to March 1964, the defendants shipped falsely JAN branded 4X150G tubes to Saxon Laboratories, Inc. in New York for a MIL/E 1 electrical test, which was performed; the tubes were found operable.

(l) Before shipping any of the JAN branded 4X150G tubes which had been tested at Saxon Laboratories, Inc., the impression of a facsimile of a Government Inspector's "Eagle" stamp was affixed on each of the packing lists (G-1 - G-21) at Saxon Laboratories, Inc., by a person or persons other than Philip L. Bornstein or Gerald Page.

(m) Model paid $32 for each 4X150G tube it received from United.

(n) The United States removed 442 4X150G electron tubes from the radio kits it purchased from Model, each of which contained:

(1) A false JAN designation;
(2) A false Manufacturer's Qualification Code (CIM); and
(3) A false acceptance date (6318).

(o) The cost to the United States in replacing the 442 falsely marked 4X150G electron tubes was $40.82 per tube or a total of $18,042.44 which is subject to proof by affidavit or voucher.

(p) On May 20 and 27, 1966, Gerald Page and Philip Bornstein, respectively, plead guilty to Count II of an Indictment which included two overt acts (Exhibits G-36, G-35, and G-34, herein).

(q) In November, 1966, Model paid the United States $18,000 for the Government's claim relating to the payment of the 442 falsely branded JAN 4X150G tubes which are referred to in the Complaint.

18. Model accepted shipments of the 4X150G electron tubes from the defendants, under the defendants' certification referred to in paragraph 23. Accompanying the shipments of tubes were the following packing lists, which identified each tube shipped therewith by serial number, and designated each such tube as "JAN";

PACKING LISTS	DATE	QUANTITY
A 11351	1/27/64	20
A 11356	1/29/64	18
A 11357	1/29/64	6
A 11355	1/29/64	18
A 11354	1/29/64	18
A 11363	1/30/64	20
A 11364	1/30/64	20
A 11362	1/30/64	20
A 11361	1/30/64	20
A 11360	1/30/64	20
A 11372	2/ 4/64	13
A 11371	2/ 5/64	17
A 11370	2/ 5/64	20
A 11369	2/ 5 64	18
A 12263	2/18/64	20
A 12268	2/18/64	20
A 12262	2/18/64	20
A 12265	2/18/64	20
A 12264	2/18/64	29
A 12260	2/18/64	20
A 12261	2/18/64	20

Each of these packing lists contains the following reference:

"Gov. Contract No.: DA 36-039-AMC-1080 E", and bears the impression of a facsimile of a Government Inspector's "Eagle" stamp. These packing lists did not contain the certification and signature referred to in paragraph 16(h) when they were received at Model.

The packing lists G-1 through G-21 referred to above do not reflect separate shipments of the tubes listed thereon, but rather reflect separate boxes which were combined for a total of three shipments to Model. The defendants billed Model for the tubes listed in Exhibits G-1 through G-21 on three separate invoices and charged $32 per tube.

19. The defendants knew that the 4X150G electron tubes were to be used by Model in a Government Contract.

20. The electron tubes mentioned in paragraph 17 above, together with Richardson Invoices and defendants' packing lists, issued to Model, containing their serial numbers, are Exhibits G-1a through G-21t, inclusive, herein.

21. The United States received 684 4X150G tubes from Model under the Contract. 442 of these tubes were improperly JAN branded as described in paragraph 17 (n). 397 of these improperly JAN branded tubes are identified by serial number as having come from the defendants. The serial numbers of the remaining 45 improperly JAN branded tubes are unknown and cannot be directly traced to the defendants.

22. In addition to the packing lists set forth in paragraph 18 above, Packing List A 11073, Exhibit G-45 herein, for 60 JAN 4X150G electron tubes, at $32.00 per tube was found in the possession of Model in July 1964. Exhibit G-45 does not reference the Contract number, does not bear the signature of a Government Source Inspector, and does not refer to any tubes by serial number.

23. With each shipment of 4X150G electron tubes to Model, defendants issued, to Model, a "Certificate of Compliance". Said "Certificate of Compliance" was signed: "Gerald Page, Vice-President, United National Labs", and read as follows:

"It is hereby certified that all materials used in the manufacture of parts in the quantity called for on the subject purchase order received by Model Engineering and Mfg. Corp. conform to the material and/or manufacturing specifications as called for on said purchase order.

Physical, Electrical, and/or Chemical test reports are on file with us or with our suppliers for examination and indicate conformance with applicable specification requirements."

24. Model submitted to the United States 35 claims for payment under the Contract which were designated as invoices. Each of the 35 invoices of Model included claims for payment for JAN 4X150G tubes which had been "JAN" branded by the defendants. The 35 invoices covered payment for the entire contract and the United States paid Model's 35 invoices with eight Government Vouchers (Exhibit G-23(a) through (h)). The defendants did not prepare any of the above-mentioned documents, or have knowledge of the manner in which the claims of Model were presented.

25. The answers submitted by the United States to defendant Page's interrogatories are true, and annexed hereto are copies of Interrogatories Nos. 20, 21, 22, 23, Supplemental Interrogatories Nos. 1-4 and all the Government's answers thereto, together with a letter dated April 19, 1971 from United States Attorney to Jack Ballan, Esq.

26. The United States claims that the defendants are jointly and severally liable for 38 forfeitures, pursuant to 31 U.S.C. § 231 *et seq.* computed as follows:

(a)	35 Model invoices submitted to the United States each of which incorporated claims for payment for falsely branded JAN 4X150G tubes supplied by the defendants	35
(b)	False branding of 442 4X150G tubes by the defendants	1
(c)	Affixing an impression of a facsimile of a Government Source Inspectors Stamp to 21 packing lists	1
(d)	The issuance of 21 false Certificates of Compliance with each shipment	1
		38

WILLIAM ROSSMOORE, ESQ.
Attorney for Defendant,
Gerald Page

/s/ William Rossmoore
WILLIAM ROSSMOORE

JACK BALLAN, ESQ.
Attorney for Defendant,
Philip L. Bornstein

/s/ Jack Ballan
JACK BALLAN

HERBERT J. STERN
United States Attorney
Attorney for Plaintiff,
United States of America

BY: /s/ Carolyn E. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

BY: /s/ William A. Carpenter, Jr.
WILLIAM E. CARPENTER, JR.
Assistant U.S. Attorney

April 19, 1971

Jack Ballan, Esquire
14 - 25 Plaza Road
Fair Lawn, New Jersey 07410

Re: United States vs. Philip L. Bornstein, et als., Civil Action No. 1141-67

Dear Mr. Ballan:

Reference is made to your letter dated April 15, 1971. Please be advised that by deleting item No. 49, page h, from the Government trial memorandum, the Government is *not* acknowledging that it suffered no actual financial loss. The same was deleted because, as a matter of fact, the tubes were not replaced, but retained in storage at the various depots to which the radio sets in which they were included were shipped.

Since the Government actually paid Model the full contract price for the radio sets of which the tubes complained of were a component part, so much of the total payment to Model that is allocable to those components of the sets, which did not meet the specifications, to wit, 442 tubes, at $40.82, or $18,042.44, is the amount of the *single* damages claimed. See *Faulk v. United States*, 198 F.2d 169 (5th Cir. 1952), cited at page 28 of the Government's trial memorandum.

Thus, it is the Government's contention that since it paid for 442 tubes which did not meet its specifications and for which it would not have paid but for the fraud of the defendants the Government is entitled to recover double the amount of the single damages, or $36,084.88. Stated simply the Government was caused, by the defendants' fraud to pay for surplus tubes which did not

meet the contract specifications, for which it had no use, and which it did not order.

Very truly yours,

HERBERT J. STERN
United States Attorney

By: CAROLYN E. ARCH
Assistant U.S. Attorney

cc: Honorable Robert Shaw
Judge, United States District Court
Post Office Building
Newark, New Jersey

William Rossmoore, Esq.
c/o Stavis, Richardson,
Koenigsberg & Rossmoore, Esqs.
744 Broad Street
Newark, New Jersey 07102

20. As to each and every tube alleged to be defective in Paragraph 17 of the complaint, state whether or not any tests were performed by anyone on any of said tubes and if the answer is in the affirmative, state the time, date, and place that each such test was performed, the name and address of the person making each such test, and set forth in detail the nature of the test performed and the results thereof.

20. *ANSWER*: Immediately prior to 1 July 1964, inspectors at Tobyhanna Army Depot, Lexington-Blue Grass Army Depot and Sacramento Army Depot withdrew tubes purporting to be JAN 4X 150G from shipments received from Model. The tube serial numbers were then referred to Eitel-McCullough, the authorized manufacturer, to determine if they were genuine JAN tubes and of recent manufacture. This firm, on 17 July 1964, reported results of a search of their records against the serial numbers furnished, which in brief showed that the quantity alleged were not in fact genuine JAN tubes. The inspector who withdrew the tubes and recorded the serial numbers at Tobyhanna Army Depot was Gabriel P. Unis, whose present address is reported to be 3852 Sinclair Lane, Baltimore, Maryland 21213. Those who did the same at Lexington-Blue Grass Army Depot were:

Roy S. Harney, Sr.
744 Berry Lane
Lexington, Kentucky 40502

James A. Brown
2905 Southview
Lexington, Kentucky 40502

Personnel participating in the same effort at Sacramento Army Depot were:

James F. Van Wicklin
8236 Citidel Way
Sacramento, California 95826

John F. Buechner
3120 Adams Road
Sacramento, California 95825

Richard L. Traux
8984 Rosetta Circle
Sacramento, Calif. 95826

Joseph S. Starzec
6271 Greenhaven Drive
Sacramento, Calif. 95831

Edward S. Hamakawa
1725 Sherwood Avenue
Sacramento, Calif. 95822

John E. Russell
1062 56th Street
Sacramento, Calif. 95819

Joseph A. Gilmette (No longer employed by Sacramento Army Depot) Address unknown

Eitel-McCullough, now a Division of Varian, reported that the following personnel checked their records for the purpose indicated:

Mr. I. H. Encoyand
DCASR-San Francisco
866 Malcolm Road
Burlingame, California 94010

Mr. John D. Quackenbush
540 Summit Spring Road
Woodside, California 94062

Mr. Carl M. Miloslavich
309 De Anza Avenue
San Carlos 94070

21. As to each and every tube alleged to be defective in Paragraph 17 of the complaint, state in detail the nature of the said defect and describe in detail how the said defect was determined, giving the name and address of each person who as-

certained the said defect and the time, date, and place when the said defect was ascertained.

ANSWER: See answer to question 20.

22. Set forth in detail the basis on which it is claimed that the plaintiff was damaged in the amount of $40.82 for each defective tube, as alleged in Paragraph 21 of the complaint.

ANSWER: The basis for the claim is fully set forth in Paragraph 21 of the complaint. Due to the acts of the defendants in dealing with Model, the Government did not receive 442 tubes specified in the contract and is entitled to the value thereof at $40.82 each.

23. As to each and every defective tube as alleged in the complaint, state what disposition was made of the same from the time of the receipt of the same by Model to the present and as to each and every such tube state the present physical whereabouts of the same or the time, date, and place of the last known physical whereabouts of the same.

ANSWER: The tubes taken from Model shipments and found not to be genuine, were ordered to be segregated and held in storage at the following Army depots: Tobyhanna, Tobyhanna, Pa.; Lexington-Blue Grass, Lexington, Kentucky; and Sacramento, Sacramento, Calif. They are presently in storage at the points indicated.

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

vs.

PHILIP L. BORNSTEIN, GERALD PAGE, AND UNITED NATIONAL LABS, DIVISION OF SONORA ELECTROMATICS, INC., DEFENDANTS

SUPPLEMENTAL INTERROGATORIES

TO: DAVID M. SATZ, JR., ESQ.
United States Attorney
Attorney for Plaintiff
Federal Building
Newark, New Jersey 07102

SIR:

PLEASE TAKE NOTICE that the defendant, Gerald Page requires of the plaintiff answers under oath to the following supplemental interrogatories within the time prescribed by law:

1. As to each and every tube alleged to be defective in paragraph 17 of the complaint, state whether or not the plaintiff claims that any such tube had physical, electronic, performance, or similar characteristics or functions different from those required to be delivered to it under its contract with Model Engineering and Manufacturing Company, and if so, list each such tube, describe in detail the nature of the difference and give the date, place and name and address of any person performing any tests disclosing such differences.

The plaintiff herein does not claim that each tube was defective by reason of different physical, electronic, performance or similar characteristics from those required to be delivered to it under its contract with Model

Engineering and Manufacturing Company. The claim is based upon the facts that the required tubes had to be of recent manufacture, not surplus of any type, inspected at the source by a Government inspector, conform to all material and manufacturing specifications, and bear a genuine Government stamp indicating compliance with all requirements of prior testing and acceptance as genuine "JAN" tubes.

It was ascertained at the points where Model made delivery of its completed products, through various media by qualified persons, and by comparison of the serial numbers of the tubes furnished with the records of the original manufacturer, as fully detailed in the answer to question 20 of the prior interrogatory, that the tubes furnished were manufacturer's surplus, not of recent manufacture, did not conform to the required specifications, and did not bear the genuine stamp indicating that they had been Government inspected at the source. Details of the manner in which the furnished tubes were made to simulate the genuine, specified product are fully outlined in the statement given by defendant Gerald Page to the FBI originally and subsequently admitted by said defendant in this current action.

As indicated previously, the names of persons who made the tests, their addresses, the places at which tests were made and required searches for the Government are fully disclosed in the answer to question 20, of the prior interrogatory.

ANSWER TO SUPPLEMENTAL INTERROGATORY NO. 1.

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil Action No. 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

vs.

PHILIP L. BORNSTEIN, GERALD PAGE, AND UNITED NATIONAL LABS, DIVISION OF SONORA ELECTROMATICS, INC., DEFENDANTS

SUPPLEMENTAL ANSWER TO INTERROGATORIES

TO: STAVIS, RICHARDSON, KOENIGSBERG and ROSSMORE, ESQ.
Attorneys for Defendant Gerald Page
744 Broad Street
Newark, New Jersey

SIRS:

The Plaintiff, United States of America, hereby supplements its answers to interrogatories as follows:

A. With respect to the meaning intended by Plaintiff in its characterization of tubes as "defective" and "obsolete":

ANSWER

Please refer to Plaintiff's answer to supplemental interrogatory No. 1 of Defendant Gerald Page, filed and served on March 21, 1969, wherein Plaintiff sets forth in detail its meaning of defective and obsolete tubes.

The plaintiff, United States of America, hereby answers supplemental interrogatory No. 2 as follows:

2. As to each tube taken from Model shipments as alleged in the answer to original interrogatory #23, state whether or not such tube was replaced, and if so, the date of replacement, the source of the replacement,

giving the name and address of the supplier thereof, and the consideration, if any, paid therefore and the name and address of the person to whom such consideration was paid.

2. Answer: None of the tubes taken from Model shipments as set forth in answer to original interrogatory No. 23 were replaced.

3. State whether or not any claim has been made by the plaintiff against Model Engineering and Manufacturing Company for the tubes alleged to be defective, and if so, state in detail the disposition of such claim.

Claim was made against Model Engineering and Manufacturing Company for the tubes alleged to be defective. The attached Exhibits #1, 2, 3, 4 and 5, state in detail the disposition of the claim.

4. State whether the plaintiff has received any payment or other consideration from Model Engineering for the tubes alleged in the complaint to be defective and if so, state the nature or amount of such consideration and the dates of payment thereof.

The plaintiff received the sum of $18,000.00 from Model Engineering in the form of a deduction from Model invoices, per voucher #121073, 13 December 1966, in accordance with Exhibits listed under Answer #3, and copy of voucher attached hereto marked Exhibit #6. Answered March 21, 1969

STAVIS, RICHARDSON, KOENIGSBERG
& ROSSMOORE
Attorneys for Defendant, Page

By /s/ William Rossmoore
WILLIAM ROSSMOORE

DAVID M. SATZ, JR.
United States Attorney

By: /s/ Carolyn E. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

DATED: August 22, 1968.

EXHIBIT #1

MEMCOR INC.
Huntington, Indiana 46750
Telephone 219—356-4300

1 December 1966

U.S. Army Electronics Command
225 South 18th Street
Philadelphia, Pennsylvania 19103

Attention: Mr. Lewis B. Moyer
Contracting Officer

Subject: Contract DA-36-039-AMC-01080(E)
P.O. 15263-PP-63-A1-51 (OA-1387 GRC Radio Sets) USAECOM Payment Withholding of MEMCOR Invoices Totalling $28,317.20.

Reference: 1) MEMCOR Letter (C. Horvath) dated 31 May 1966 to USAECOM (Mr. L. B. Moyer).
2) USAECOM Letter AMSEL-PP/P-CP-E3 (Mr. L. B. Moyer) dated 9 June 1966 to MEMCOR (Mr. C. Horvath)
3) MEMCOR Letter (C. Horvath) dated 19 August 1966 to USAECOM (Mr. L. B. Moyer).

Gentlemen:

Confirming a telephone conversation between Mr. L.B. Moyer, USAECOM and Mr. C. Horvath, MEMCOR, Inc., on 1 December 1966, enclosed are two (2) copies of a letter dated 23 November 1966 from the United States Department of Justice accepting MEMCOR's proposal in the amount of $18,000.00 in settlement of the Government's claim relative to the subject contract.

As discussed with Mr. Moyer, there now remains payment to MEMCOR in the sum of $10,317.20 under the terms of the settlement thereby completing all required contractual actions under the contract.

MEMCOR is presently experiencing a shortage of working capital and your assistance in expediting early payment of these monies is sincerely appreciated.

Please advise should further action be required by MEMCOR to assist you in your efforts.

Very truly yours,

/s/ C. Horvath
C. HORVATH
Director of Contracts

cc: C.W. Payne, A.C.O.
c/o MEMCOR, Inc.

EXHIBIT #2

November 3, 1966

United States Attorney
Federal Building
Fort Wayne, Indiana

Sir:

Re: Model Engineering & Manufacturing Co.
(Memcor, Incorporated)

In behalf of the above captioned client, we offer the sum of Eighteen Thousand ($18,000.00) Dollars in full settlement for the Government claim as reported to you in our telephone conversation of which this is in confirmation.

Respectfully,

CAMPBELL & LEMASTER
ALEXANDER CAMPBELL

AC/tk

c.c. Hon. Frederick Curloy
Fraud Section
U.S. Department of Justice
Washington, D.C.

[See letter dated 11-23-66]

EXHIBIT #3

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

[Emblem]

Nov. 23, 1966

Address Reply to the
Division Indicated
& Refer to Initials and Number

SS:DJTItus:jcp
46-26S-217

Alexander M. Campbell, Esquire
Campbell and LeMaster
Lincoln Tower
Fort Wayne, Indiana 46802

Re: Model Engineering and Manufacturing
Corporation, now known as Memcor, Inc.

Dear Mr. Campbell:

This has reference to your letters of November 3, 1966 and November 14, 1966, addressed to Mr. Alfred W. Moellering, United States Attorney, Fort Wayne, Indiana, copies of which you furnished to us, submitting an offer in the sum of $18,000 on behalf of Model Engineering and Manufacturing Company, Huntington, Indiana, now known as Memcor, Inc., in settlement of the Government's claim against that firm. The proposal contemplates that payment of the compromise amount will be made by a setoff against other funds now being withheld from your client by the Department of the Army under other contracts.

Our claim against Model arose through the failure of that company to furnish electron tubes type 4X150G to the Government in accordance with the specifications set forth in Contract No. DA-36-039-AMC-01080 (E) dated August 29, 1962, awarded by the United States Army

Signal Supply Agency, Philadelphia, Pennsylvania. The damages were computed to total $18,042.44 based on the receipt by the Department of the Army of 442 non-conforming and surplus tubes.

We accept your offer. Accordingly, we are by letter of even date so notifying the Department of the Army and requesting that it deduct the amount of the proposal from the funds now being withheld from your client.

The United States Attorney, Fort Wayne, Indiana, through his receipt of a copy of this letter, is hereby authorized to close his file in the matter.

Yours very truly,

BAREFOOT SANDERS
Assistant Attorney General
Civil Division

By: /s/ Frederick N. Curley
FREDERICK N. CURLEY
Chief, Frauds Section

cc: Mr. Alfred Moellering
United States Attorney
Fort Wayne, Indiana 46801

Department of the Army
Washington, D. C. 20310
Att: Judge Advocate General

EXHIBIT #4

November 14, 1966

Hon. Alfred W. Moellering
U.S. Attorney
Federal Building
Fort Wayne, Indiana

Re: U.S. Army Contract
D A 36-039-AMC 01188-(E)
O-A 1387/GRC
Radio Set Group, Vacuum Tube

Sir:

The U.S. Army is hereby authorized to deduct Eighteen Thousand ($18,000.00) Dollars from the approximate Twenty Eight Thousand ($28,000.00) Dollars now being held by the U.S. Army under the above subject contract.

Respectfully,

CAMPBELL & LEMASTER

ALEXANDER CAMPBELL
Counsel for MEMCOR, INC.
(Model Engineering &
Manufacturing Co.)

AC/tk

c.c. Hon. Fred Curley
Colonel Orin Jones
George Manis, President
Memcor, Inc.

EXHIBIT #5

NNNNEZCZCMLD301RTTU JAW RUEONFA0631
3362136-UUUU-RUEOAMA.
ZUR UUUUU
N 022131Z DEC 66
FM CG USAMC WASH DC
TO CG USA ELECTRONICS COMMAND FT MONMOUTH NJ

BT
[Illegible] AMC-48776. FR. AMCGC-S FOR CH COUNSEL

SUBJECT: MEMCOR, INC.

THE FOLLOWING IS THE TEXT OF DEPARTMENT OF JUSTICE LETTER DATED 23 NOVEMBER, 1966:

"THIS HAS REFERENCE TO YOUR LETTER OF NOVEMBER 10, 1966, RECOMMENDING ACCEPTANCE OF THE OFFER TOTALING $18,000 SUBMITTED IN COMPROMISE OF THE GOVERNMENT'S CLAIM AGAINST THE SUBJECT FIRM. THE PROPOSAL CONTEMPLATES THAT PAYMENT OF THE SETTLEMENT AMOUNT WILL BE MADE THROUGH A SETOFF AGAINST FUNDS IN THE SUM OF $28,317.20 NOW BEING WITHHELD BY YOUR DEPARTMENT FROM THE SUBJECT CONTRACTOR.

"PLEASE BE ADVISED THAT WE HAVE ACCEPTED THE TENDERED OFFER. ACCORDINGLY, IT WOULD BE APPRECIATED IF YOU WILL DEDUCT THE AMOUNT THEREOF FROM THE WITHHELD FUNDS AND NOTIFY US WHEN THIS SETOFF HAS BEEN MADE.

"THE UNITED STATES ATTORNEY, FORT WAYNE, INDIANA, IS BEING AUTHORIZED TO CLOSE HIS FILE SO FAR AS CONCERNS THE GOVERN-

PAGE 2 RUEOHFA6631 UNCLAS
MENT'S CLAIM AGAINST THE MODEL FIRM."

2. IN VIEW OF THE PRECARIOUS FINANCIAL CONDITION OF SUBJECT CORPORATION REQUEST PROMPT COMPLIANCE WITH JUSTICE DEPARTMENT SETTLEMENT AS OUTLINED ABOVE AND REPLY BY TWX WHEN ACTION HAS BEEN TAKEN AS REQUESTED.

ET

NNNNR

C/1 Ansell-PP/P. (P-61) || L. Hoyer

Standard Form No. 1034
GAO 8000
1964-110-03

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

121073

U.S. DEPARTMENT, BUREAU, OR ESTABLISHMENT AND LOCATION

DEPARTMENT OF THE ARMY
U. S. ARMY ELECTRONICS COMMAND
FINANCIAL MANAGEMENT AGENCY
225 South 18th St., Phila., Pa. 19103

DATE VOUCHER PREPARED: 12-12-66

CONTRACT NUMBER AND DATE: DA-36 039 AMC-01020(E)

REQUISITION NUMBER AND DATE:

VOUCHER NUMBER:

PAID BY
USAECOM
FIN. MGMT. AGCY
[redacted]
PHILA., PA.
SYMBOL 5064

DEC 13 1966

DATE INVOICE RECEIVED: 12-13-66

DISCOUNT TERMS: —

PAYEE'S ACCOUNT NUMBER: 3209

GOVERNMENT B/L NUMBER:

PAYEE'S NAME AND ADDRESS:
REMCOR INC - FOR DEPOSIT IN
SPECIAL BANK ACCOUNT - DEFENSE
SUPPLY AGENCY
MAIL TO — FIRST NATIONAL BANK OF CHICAGO
38 SOUTH DEARBORN STREET
CHICAGO ILLINOIS 60690

SHIPPED FROM | TO | WEIGHT

NUMBER AND DATE OF ORDER	DATE OF DELIVERY OR SERVICE	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	QUANTITY	UNIT PRICE: COST	UNIT PRICE: PER	AMOUNT: DOLLARS	AMOUNT: CTS. (1)
15263-	DP-63-	A1-51				28317	20
8-29-67		Less withholding Account Paid					
Mod 12		withheld on Title Item this					
		Contract - Officer did 5 Dec 1966				18000	00
		0 0					
	12-1-66						

(Use continuation sheet(s) if necessary) (Payee must NOT use the space below) TOTAL 10317 20

PAYMENT:
- ☐ COMPLETE
- ☐ PARTIAL
- ☑ FINAL
- ☐ PROGRESS
- ☐ ADVANCE

APPROVED FOR = $10317.20

EXCHANGE RATE = $1.00

BY [redacted]

TITLE

DIFFERENCES

Amount verified; correct for

(Signature or initials)

Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.

12-12-66 (Date) [redacted] (Authorized Certifying Officer) Voucher Examiner (Title)

ACCOUNTING CLASSIFICATION (Appropriation symbol must be shown; other classification optional)

21X2030 262-7520 [illegible] 10317.20

[illegible] 606 00 211 02660

PAID BY

CHECK NUMBER ON TREASURER OF THE UNITED STATES

CASH DATE

$

CHECK NUMBER ON (Name of bank)

PAYEE [redacted]

PER

TITLE

1 When stated in foreign currency, insert name of currency
2 If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the space provided, over his official title.
3 When a voucher is receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary", or "Treasurer", as the case may be

☆ U S GOVERNMENT PRINTING OFFICE: 1963 — 689378

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BEST COPY AVAILABLE

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

—*vs*—

PHILIP L. BORNSTEIN, ET AL, DEFENDANTS

SCHEDULE A

GOVERNMENT'S LIST OF EXHIBITS

NO.	DESCRIPTION OF EXHIBIT
G-1	United Packing List No. A 11351
G-1(a)	Tube 4X150G—SN 1C-16972
G-1(b)	Tube 4X150G—SN 1B-38157
G-1(c)	Tube 4X150G—SN 1C-45676
G-1(d)	Tube 4X150G—SN 1C-20586
G-1(e)	Tube 4X150G—SN 1G-32008
G-1(f)	Tube 4X150G—SN 1C-37453
G-1(g)	Tube 4X150G—SN 1F-13259
G-1(h)	Tube 4X150G—SN 1C-21304
G-1(i)	Tube 4X150G—SN 1D-12571
G-1(j)	Tube 4X150G—SN ID-04460
G-1(k)	Tube 4X150G—SN 1F-22625
G-1(l)	Tube 4X150G—SN 1C-16977
G-1(m)	Tube 4X150G—SN 1C-28057
G-1(n)	Tube 4X150G—SN 1B-36135
G-1(o)	Tube 4X150G—SN 1D-04364
G-1(p)	Tube 4X150G—SN 1F-11142
G-1(q)	Tube 4X150G—SN 1D-04323
G-1(r)	Tube 4X150G—SN 1D-03999
G-1(s)	Tube 4X150G—SN 1C-13420
G-1(t)	Tube 4X150G—SN 1F-47216
G-2	United Packing List No. A 11354
G-2(a)	Tube 4X150G—SN 1A-09209

NO.	DESCRIPTION OF EXHIBIT
G-2(b)	Tube 4X150G—SN 1D-20008
G-2(c)	Tube 4X150G—SN 1H-05366
G-2(d)	Tube 4X150G—SN 1C-27970
G-2(e)	Tube 4X150G—SN BO-39921
G-2(f)	Tube 4X150G—SN 1I-59628
G-2(g)	Tube 4X150G—SN 1B-11125
G-2(h)	Tube 4X150G—SN 1D-04600
G-2(i)	Tube 4X150G—SN 1C-37490
G-2(j)	Tube 4X150G—SN 2B-27361
G-2(k)	Tube 4X150G—SN 1F-23746
G-2(l)	Tube 4X150G—SN 1F-36686
G-2(m)	Tube 4X150G—SN 1F-22929
G-2(n)	Tube 4X150G—SN 1C-22299
G-2(o)	Tube 4X150G—SN 1C-37585
G-2(p)	Tube 4X150G—SN J9-22904
G-2(q)	Tube 4X150G—SN 2I-09008
G-2(r)	Tube 4X150G—SN 2I-08307
G-3	United Packing List No. A 11355
G-3(a)	Tube 4X150G—SN L9-05282
G-3(b)	Tube 4X150G—SN 1B-10427
G-3(c)	Tube 4X150G—SN 1B-29512
G-3(d)	Tube 4X150G—SN 1C-29454
G-3(e)	Tube 4X150G—SN 1B-10565
G-3(f)	Tube 4X150G—SN 2C-32202
G-3(g)	Tube 4X150G—SN 2H-16724
G-3(h)	Tube 4X150G—SN BO-29203
G-3(i)	Tube 4X150G—SN 2G-24061
G-3(j)	Tube 4X150G—SN 1C-37830
G-3(k)	Tube 4X150G—SN 1F-04349
G-3(l)	Tube 4X150G—SN 1H-04767
G-3(m)	Tube 4X150G—SN 2I-07867
G-3(n)	Tube 4X150G—SN 1C-37516
G-3(o)	Tube 4X150G—SN 1C-10804
G-3(p)	Tube 4X150G—SN 2H-16976
G-3(q)	Tube 4X150G—SN 2I-16383
G-3(r)	Tube 4X150G—SN 2H-13895
G-4	United Packing List No. A 11356
G-4(a)	Tube 4X150G—SN 2I-13406

NO.	DESCRIPTION OF EXHIBIT
G-4(b)	Tube 4X150G—SN 17-15664
G-4(c)	Tube 4X150G—SN 2H-13682
G-4(d)	Tube 4X150G—SN BO-40069
G-4(e)	Tube 4X150G—SN DO-16655
G-4(f)	Tube 4X150G—SN 1J-12551
G-4(g)	Tube 4X150G—SN 1C-11282
G-4(h)	Tube 4X150G—SN 1C-28145
G-4(i)	Tube 4X150G—SN 2H-15202
G-4(j)	Tube 4X150G—SN 2F-13192
G-4(k)	Tube 4X150G—SN 1H-55380
G-4(l)	Tube 4X150G—SN DO-11641
G-4(m)	Tube 4X150G—SN 2I-08632
G-4(n)	Tube 4X150G—SN 2G-23679
G-4(o)	Tube 4X150G—SN L9-42428
G-4(p)	Tube 4X150G—SN 1A-10293
G-4(q)	Tube 4X150G—SN AO-22382
G-4(r)	Tube 4X150G—SN 2I-06542
G-5	United Packing List No. A 11357
G-5(a)	Tube 4X150G—SN 2I-22312
G-5(b)	Tube 4X150G—SN DO-23703
G-5(c)	P/L 11357 delineating tube 4X150G SN DO-23703
G-5(d)	P/L A 11357 delineating tube 4X150G SN KO-23979
G-5(e)	P/L A 11357 delineating tube 4X150G SN DO-0042
G-5(f)	Tube 4X150G—SN J9-16341
G-6	United Packing List No. 11356
G-6(a)	Tube 4X150G—SN L9-28972
G-6(b)	Tube 4X150G—SN 17-01524
G-6(c)	Tube 4X150G—SN L9-21255
G-6(d)	Tube 4X150G—SN 1C-29196
G-6(e)	Tube 4X150G—SN 1C-21216
G-6(f)	Tube 4X150G—SN 1B-38163
G-6(g)	Tube 4X150G—SN 1C-10824
G-6(h)	Tube 4X150G—SN 1C-29015
G-6(i)	Tube 4X150G—SN 1C-13748
G-6(j)	Tube 4X150G—SN 1C-28937
G-6(k)	Tube 4X150G—SN DO-16634
G-6(l)	Tube 4X150G—SN FO-19782
G-6(m)	Tube 4X150G—SN AO-16346

NO.	DESCRIPTION OF EXHIBIT
G-6(n)	Tube 4X150G—SN 1C-37552
G-6(o)	Tube 4X150G—SN 1C-37540
G-6(p)	Tube 4X150G—SN 1C-29186
G-6(q)	P/L delienating tube 4X150G—SN 1B-13067
G-6(r)	Tube 4X150G—SN 1C-10396
G-6(s)	Tube 4X150G—SN 1C-28941
G-6(t)	Tube 4X150G—SN 1C-13729
G-7	United Packing List No. A 11361
G-7(a)	Tube 4X150G—SN 1D-05022
G-7(b)	Tube 4X150G—SN 1C-18414
G-7(c)	Tube 4X150G—SN 1C-29347
G-7(d)	Tube 4X150G—SN 1E-29495
G-7(e)	Tube 4X150G—SN 1C-21543
G-7(f)	Tube 4X150G—SN 1B-10544
G-7(g)	Tube 4X150G—SN 1C-29529
G-7(h)	Tube 4X150G—SN 1C-37691
G-7(i)	Tube 4X150G—SN 1D-12617
G-7(j)	Tube 4X150G—SN 1C-29283
G-7(k)	Tube 4X150G—SN 1F-11522
G-7(l)	Tube 4X150G—SN 1C-11424
G-7(m)	Tube 4X150G—SN 1D-03180
G-7(n)	Tube 4X150G—SN 1H-07858
G-7(o)	Tube 4X150G—SN 1O-32253
G-7(p)	Tube 4X150G—SN 1C-29116
G-7(q)	Tube 4X150G—SN 1C-37862
G-7(r)	Tube 4X150G—SN 1C-29016
G-7(s)	Tube 4X150G—SN 1D-24781
G-7(t)	Tube 4X150G—SN 1C-37854
G-8	United Packing List No. A 11362
G-8(a)	Tube 4X150G—SN 1D-12220
G-8(b)	Tube 4X150G—SN 1C-37558
G-8(c)	Tube 4X150G—SN 1C-28985
G-8(d)	Tube 4X150G—SN 1C-29628
G-8(e)	Tube 4X150G—SN 1C-17185
G-8(f)	Tube 4X150G—SN EO-24488
G-8(g)	Tube 4X150G—SN L9-23934
G-8(h)	Tube 4X150G—SN 1E-12748
G-8(i)	Tube 4X150G—SN DO-11579

NO.	DESCRIPTION OF EXHIBIT
G-8(j)	Tube 4X150G—SN I7-09700
G-8(k)	Tube 4X150G—SN 1C-13442
G-8(l)	Tube 4X150G—SN 1C-13672
G-8(m)	Tube 4X150G—SN 1C-28062
G-8(n)	Tube 4X150G—SN 1C-17100
G-8(o)	Tube 4X150G—SN 1C-46707
G-8(p)	Tube 4X150G—SN FO-32384
G-8(q)	Tube 4X150G—SN I7-15753
G-8(r)	Tube 4X150G—SN K9-38084
G-8(s)	Tube 4X150G—SN K9-38080
G-8(t)	Tube 4X150G—SN BO-29205
G-9	United Packing List No. A 11363
G-9(a)	Tube 4X150G—SN H7-17449
G-9(b)	Tube 4X150G—SN DO-20794
G-9(c)	Tube 4X150G—SN F8-06811
G-9(d)	Tube 4X150G—SN I7-09712
G-9(e)	P/L A 11363 delineating tube 4X150G SN 1C-43231
G-9(f)	Tube 4X150G—SN J9-24541
G-9(g)	Tube 4X150G—SN 1G-35768
G-9(h)	Tube 4X150G—SN 1F-13747
G-9(i)	Tube 4X150G—SN CO-05318
G-9(j)	P/L delineating tube 4X150G—SN F8-14582
G-9(k)	Tube 4X150G—SN DO-14714
G-9(l)	Tube 4X150G—SN 1C-16913
G-9(m)	Tube 4X150G—SN BO-31128
G-9(n)	Tube 4X150G—SN 1G-22374
G-9(o)	Tube 4X150G—SN 1D-04828
G-9 p)	Tube 4X150G—SN D9-06036
G-9(q)	Tube 4X150G—SN EO-23862
G-9(r)	Tube 4X150G—SN BO-33622
G-9(s)	Tube 4X150G—SN J9-16667
G-9(t)	Tube 4X150G—SN AO-16444
G-10	United Packing List No. A 11364
G-10(a)	Tube 4X150G—SN J9-23199
G-10(b)	Tube 4X150G—SN E7-05811
G-10(c)	Tube 4X150G—SN I7-15712
G-10(d)	Tube 4X150G—SN C8-13118
G-10(e)	Tube 4X150G—SN I7-01429

NO.	DESCRIPTION OF EXHIBIT
G-10(f)	Tube 4X150G—SN EO-16345
G-10(g)	Tube 4X150G—SN L9-24115
G-10(h)	Tube 4X150G—SN G8-18875
G-10(i)	Tube 4X150G—SN L9-24256
G-10(j)	Tube 4X150G—SN AO-16348
G-10(k)	Tube 4X150G—SN I7-04620
G-10(l)	P/L delineating tube 4X150G—SN E7-06888
G-10(m)	Tube 4X150G—SN C7-07306
G-10(n)	Tube 4X150G—SN K9-44371
G-10(o)	Tube 4X150G—SN AO-25206
G-10(p)	Tube 4X150G—SN H7-06827
G-10(q)	Tube 4X150G—SN BO-31131
G-10(r)	Tube 4X150G—SN FO-31486
G-10(s)	Tube 4X150G—SN I7-15730
G-10(t)	Tube 4X150G—SN G7-14349
G-11	United Packing List No. A 11369
G-11(a)	Tube 4X150G—SN 1D-03986
G-11(b)	Tube 4X150G—SN 1C-29526
G-11(c)	Tube 4X150G—SN GO-26880
G-11(d)	Tube 4X150G—SN 1H-50193
G-11(e)	Tube 4X150G—SN 1C-29864
G-11(f)	Tube 4X150G—SN 2D-25248
G-11(g)	Tube 4X150G—SN 2H-13588
G-11(h)	Tube 4X150G—SN K9-38077
G-11(i)	Tube 4X150G—SN 2I-08029
G-11(j)	Tube 4X150G—SN 1C-21408
G-11(k)	Tube 4X150G—SN 1C-13584
G-11(l)	P/L delineating tube 4X150G—SN 1B-36464
G-11(m)	Tube 4X150G—SN 1C-16996
G-11(n)	Tube 4X150G—SN 2I-07986
G-11(o)	Tube 4X150G—SN 2G-18332
G-11(p)	Tube 4X150G—SN 2B-24426
G-11(q)	Tube 4X150G—SN 2H-13121
G-11(r)	Tube 4X150G—SN 2A-11984
G-12	United Packing List No. A 11370
G-12(a)	Tube 4X150G—SN 2H-16934
G-12(b)	Tube 4X150G—SN K9-42463
G-12(c)	Tube 4X150G—SN 2F-20919

NO.	DESCRIPTION OF EXHIBIT
G-12(d)	Tube 4X150G—SN 2A-12614
G-12(e)	Tube 4X150G—SN 2F-15200
G-12(f)	Tube 4X150G—SN 2I-17322
G-12(g)	Tube 4X150G—SN 2I-17495
G-12(h)	Tube 4X150G—SN 2I-08965
G-12(i)	Tube 4X150G—SN 2D-10886
G-12(j)	Tube 4X150G—SN 2G-23864
G-12(k)	Tube 4X150G—SN 2A-09665
G-12(l)	Tube 4X150G—SN 2H-16782
G-12(m)	Tube 4X150G—SN K9-39870
G-12(n)	Tube 4X150G—SN 2A-09562
G-12(o)	Tube 4X150G—SN 2B-58783
G-12(p)	Tube 4X150G—SN 2I-08279
G-12(q)	Tube 4X150G—SN 2G-24037
G-12(r)	Tube 4X150G—SN 2H-12607
G-12(s)	Tube 4X150G—SN 2F-16246
G-12(t)	Tube 4X150G—SN K9-42462
G-13	United Packing List No. A 11371
G-13(a)	Tube 4X150G—SN 1L-23200
G-13(b)	P/L delineating tube 4X150G—SN K9-38063
G-13(c)	Tube 4X150G—SN 2H-16835
G-13(d)	Tube 4X150G—SN 2F-35032
G-13(e)	Tube 4X150G—SN 2B-25202
G-13(f)	Tube 4X150G—SN DO-14637
G-13(g)	Tube 4X150G—SN K9-38069
G-13(h)	Tube 4X150G—SN 2D-19310
G-13(i)	Tube 4X150G—SN 2C-26366
G-13(j)	Tube 4X150G—SN 1J-51849
G-13(k)	Tube 4X150G—SN 2H-10989
G-13(l)	Tube 4X150G—SN 2I-13772
G-13(m)	Tube 4X150G—SN 1K-18565
G-13(n)	Tube 4X150G—SN 2I-09914
G-13(o)	Tube 4X150G—SN 2I-09194
G-13(p)	Tube 4X150G—SN 2I-13714
G-13(q)	Tube 4X150G—SN 2F-38479
G-14	United Packing List No. A 11372
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G-14(b)	Tube 4X150G—SN 2I-14797

NO.	DESCRIPTION OF EXHIBIT
G-14(c)	Tube 4X150G—SN 1J-13818
G-14(d)	Tube 4X150G—SN 2F-34960
G-14(e)	Tube 4X150G—SN 2C-28834
G-14(f)	Tube 4X150G—SN 1K-21701
G-14(g)	Tube 4X150G—SN 1L-42953
G-14(h)	Tube 4X150G—SN 2I-14798
G-14(i)	Tube 4X150G—SN 2I-08549
G-14(j)	Tube 4X150G—SN 2H-12285
G-14(k)	Tube 4X150G—SN 2D-20803
G-14(l)	Tube 4X150G—SN 2A-12373
G-14(m)	Tube 4X150G—SN 2B-24110
G-15	United Packing List No. A 12260
G-15(a)	Tube 4X150G—SN 1C-22284
G-15(b)	Tube 4X150G—SN 1L-21336
G-15(c)	Tube 4X150G—SN 1K-12055
G-15(d)	Tube 4X150G—SN 1L-10878
G-15(e)	Tube 4X150G—SN 1B-37399
G-15(f)	Tube 4X150G—SN 1D-04802
G-15(g)	Tube 4X150G—SN 1G-45820
G-15(h)	Tube 4X150G—SN 1D-12293
G-15(i)	Tube 4X150G—SN 1D-12528
G-15(j)	Tube 4X150G—SN 1C-29302
G-15(k)	Tube 4X150G—SN 2E-11985
G-15(l)	Tube 4X150G—SN 1D-10943
G-15(m)	P/L—Inv. delineating tube 4X150G SN 1C-29388
G-15(n)	Tube 4X150G—SN 1I-52768
G-15(o)	P/L—Inv. delineating tube 4X150G SN 1C-29384
G-15(p)	Tube 4X150G—SN 1D-12402
G-15(q)	P/L—Inv. delineating tube 4X150G SN 1I-58147
G-15(r)	Tube 4X150G—SN 1J-51317
G-15(s)	Tube 4X150G—SN 1I-58697
G-15(t)	P/L—Inv. delineating tube 4X150G SN 1B-37636
G-16	United Packing List No. A 12261
G-16(a)	Tube 4X150G—SN 1C-29355
G-16(b)	Tube 4X150G—SN 1F-26922
G-16(c)	P/L—Inv. delineating tube 4X150G SN 1C-21668
G-16(d)	Tube 4X150G—SN 1L-28326
G-16(e)	Tube 4X150G—SN 1J-15856

NO.	DESCRIPTION OF EXHIBIT
G-16(f)	Tube 4X150G—SN 1B-38344
G-16(g)	Tube 4X150G—SN 1D-12183
G-16(h)	Tube 4X150G—SN 1I-52273
G-16(i)	Tube 4X150G—SN 1D-28116
G-16(j)	Tube 4X150G—SN 1I-34960
G-16(k)	Tube 4X150G—SN 1B-36096
G-16(l)	Tube 4X150G—SN 2C-31994
G-16(m)	P/L—Inv. delineating tube 4X150G SN 1C-22212
G-16(n)	Tube 4X150G—SN JO-06651
G-16(o)	Tube 4X150G—SN 1K-23783
G-16(p)	Tube 4X150G—SN 1I-61581
G-16(q)	Tube 4X150G—SN IO-32387
G-16(r)	Tube 4X150G—SN 2A-09659
G-16(s)	Tube 4X150G—SN AO-14421
G-16(t)	Tube 4X150G—SN 1D-03083
G-17	United Packing List No. A 12262
G-17(a)	Tube 4X150G—SN 1D-28217
G-17(b)	Tube 4X150G—SN 1C-11274
G-17(c)	Tube 4X150G—SN AO-10355
G-17(d)	Tube 4X150G—SN 1C-13499
G-17(e)	Tube 4X150G—SN L9-23624
G-17(f)	Tube 4X150G—SN 1G-33418
G-17(g)	P/L delineating tube 4X150G—SN LO-22993
G-17(h)	Tube 4X150G—SN 1C-29066
G-17(i)	Tube 4X150G—SN AO-13038
G-17(j)	Tube 4X150G—SN K9-26257
G-17(k)	Tube 4X150G—SN L9-17974
G-17(l)	Tube 4X150G—SN 1D-28782
G-17(m)	P/L—Inv. delineating tube 4X150G SN 1C-37636
G-17(n)	Tube 4X150G—SN IO-34358
G-17(o)	Tube 4X150G—SN 1L-21824
G-17(p)	Tube 4X150G—SN 1L-09768
G-17(q)	Tube 4X150G—SN 1B-25725
G-17(r)	Tube 4X150G—SN 1C-29007
G-17(s)	Tube 4X150G—SN 1D-24416
G-17(t)	Tube 4X150G—SN 1D-03219
G-18	United Packing List No. A 12263
G-18(a)	Tube 4X150G—SN 2A-12495

NO.	DESCRIPTION OF EXHIBIT
G-18(b)	Tube 4X150G—SN 1D-03359
G-18(c)	Tube 4X150G—SN 1C-21679
G-18(d)	Tube 4X150G—SN 2A-11227
G-18(e)	P/L—Inv. delineating tube 4X150G SN 1C-38475
G-18(f)	Tube 4X150G—SN 1C-11220
G-18(g)	Tube 4X150G—SN 1C-10731
G-18(h)	Tube 4X150G—SN 1C-29046
G-18(i)	Tube 4X150G—SN 1C-29303
G-18(j)	P/L A12263 delineating tube 4X150G SN 1D-04509
G-18(k)	Tube 4X150G—SN 1C-13299
G-18(l)	Tube 4X150G—SN 1C-29331
G-18(m)	Tube 4X150G—SN 1C-20537
G-18(n)	P/L—Inv. delineating tube 4X150G SN 1C-16929
G-18(o)	Tube 4X150G—SN 1B-28877
G-18(p)	Tube 4X150G—SN 1C-18013
G-18(q)	Tube 4X150G—SN 1C-29138
G-18(r)	P/L—Inv. delineating tube 4X150G SN 1C-17028
G-18(s)	Tube 4X150G—SN 1F-11282
G-18(t)	Tube 4X150G—SN 1I-52039
G-19	United Packing List No. A 12264
G-19(a)	Tube 4X150G—SN 1C-28614
G-19(b)	P/L—Inv. delineating tube 4X150G SN 1D-10674
G-19(c)	P/L delineating tube 4X150G—SN 1C-29021
G-19(d)	Tube 4X150G—SN 1C-45699
G-19(e)	P/L—Inv. delineating tube 4X150G SN 1C-29101
G-19(f)	P/L—Inv. delineating tube 4X150G SN 1F-26429
G-19(g)	Tube 4X150G—SN 1C-21281
G-19(h)	Tube 4X150G—SN 1C-46840
G-19(i)	Tube 4X150G—SN 1C-12307
G-19(j)	Tube 4X150G—SN 1D-04350
G-19(k)	Tube 4X150G—SN 1G-23337
G-19(l)	Tube 4X150G—SN 1C-37440
G-19(m)	Tube 4X150G—SN 1C-45551
G-19(n)	P/L—Inv. delineating tube 4X150G SN 1C-22305
G-19(o)	Tube 4X150G—SN 1C-46928
G-19(p)	Tube 4X150G—SN 1C-45462
G-19(q)	Tube 4X150G—SN 1D-24620
G-19(r)	P/L delineating tube 4X150G—SN 1D-05285

NO.	DESCRIPTION OF EXHIBIT
G-19(s)	Tube 4X150G—SN 1D-05439
G-19(t)	Tube 4X150G—SN 1C-10619
G-19(u)	Tube 4X150G—SN 1C-27909
G-19(v)	Tube 4X150G—SN 1C-21592
G-19(w)	Tube 4X150G—SN 1C-12808
G-19(x)	Tube 4X150G—SN 1D-12373
G-19(y)	Tube 4X150G—SN 1G-24360
G-19(z)	Tube 4X150G—SN 1G-21669
G-19(aa)	Tube 4X150G—SN 1D-03323
G-19(bb)	Tube 4X150G—SN 1D-29982
G-19(cc)	Tube 4X150G—SN 1G-33711
G-20	United Packing List No. A 12265
G-20(a)	Tube 4X150G—SN 1L-39932
G-20(b)	Tube 4X150G—SN L9-18197
G-20(c)	Tube 4X150G—SN 1K-17174
G-20(d)	Tube 4X150G—SN 1C-20496
G-20(e)	Tube 4X150G—SN 1K-43823
G-20(f)	Tube 4X150G—SN GO-26812
G-20(g)	Tube 4X150G—SN 1L-08808
G-20(h)	Tube 4X150G—SN 1C-17947
G-20(i)	Tube 4X150G—SN 1D-24499
G-20(j)	Tube 4X150G—SN 1I-52219
G-20(k)	Tube 4X150G—SN 1C-11180
G-20(l)	Tube 4X150G—SN 1C-13177
G-20(m)	Tube 4X150G—SN 1J-05374
G-20(n)	Tube 4X150G—SN 1C-13838
G-20(o)	P/L delineating tube 4X150G—SN 1D-12546
G-20(p)	Tube 4X150G—SN 1C-12497
G-20(q)	Tube 4X150G—SN 1C-18172
G-20(r)	Tube 4X150G—SN L9-35357
G-20(s)	P/L delineating tube 4X150G—SN 1C-42619
G-20(t)	Tube 4X150G—SN 1J-46112
G-21	United Packing List No. A 12268
G-21(a)	Tube 4X150G—SN 1K-21745
G-21(b)	Tube 4X150G—SN 1C-18022
G-21(c)	Tube 4X150G—SN 1J-50359
G-21(d)	Tube 4X150G—SN 1G-31976
G-21(e)	Tube 4X150G—SN 1G-32437

NO.	DESCRIPTION OF EXHIBIT
G-21(f)	Tube 4X150G—SN 1C-11197
G-21(g)	Tube 4X150G—SN 1C-29105
G-21(h)	Tube 4X150G—SN L9-08902
G-21(i)	Tube 4X150G—SN 1C-29561
G-21(j)	Tube 4X150G—SN 1D-04753
G-21(k)	Tube 4X150G—SN AO-14548
G-21(l)	Tube 4X150G—SN 1C-46901
G-21(m)	Tube 4X150G—SN AO-14534
G-21(n)	Tube 4X150G—SN 1D-12331
G-21(o)	Tube 4X150G—SN 1D-03926
G-21(p)	Tube 4X150G—SN L9-23956
G-21(q)	Tube 4X150G—SN 1D-24633
G-21(r)	Tube 4X150G—SN 1D-03925
G-21(s)	Tube 4X150G—SN 1L-13500
G-21(t)	P/L—Inv. delineating tube 4X150G SN 1C-10387
G-22	Government Contract #DA-36-AMC-01080(E) with Model Engineering & Mfg. Co. dated 8/29/62
G-23(a)	Government Voucher #124842, dated 2/18/64 with MEMCOR Invoices & Inspection Report
G-23(b)	Government Voucher #125189, dated 3/4/64
G-23(c)	Government Voucher #125544, dated 3/24/64
G-23(d)	Government Voucher #125937, dated 4/13/64
G-23(e)	Government Voucher #126335, dated 4/29/64
G-23(f)	Government Voucher #126726, dated 5/14/64
G-23(g)	Government Voucher #127370, dated 6/12/64
G-23(h)	Government Voucher #120601, dated 7/31/64
G-24	Patent Registration No. 504,860 for JAN
G-25	Model Engineering "Certification"
G-26	Sonora Electromatics file on United National Labs transaction with Model Engineering (FBI file)
G-26(a)	Model Engineering Purchase Order No. 1-63645 E dated 4/4/63
G-26(b)	Model Engineering Purchase Order dated 9/27/63
G-26(c)	Model Engineering Purchase Order dated 12/26/63
G-26(d)	Model Engineering Shipping Memo dated 1/9/64
G-26(e)	Model Engineering Shipping Memo dated 1/14/64
G-26(f)	Model Engineering Shipping Memo dated 4/2/64
G-26(g)	Arthur H. Richardson, Inc. triplicate invoices (8)
G-26(h)	Arthur H. Richardson, Inc. invoice packet (3)

NO.	DESCRIPTION OF EXHIBIT
G-26(i)	Saxon Laboratory, Inc. documents (18)
G-26(j)	United National Labs Invoices with REA receipts (11)
G-26(k)	Arthur H. Richardson, Inc. Credit Memorandum dated 3/13/64 (3)
G-26(l)	United National Labs Packing Lists (4)
G-26(m)	Miscellaneous papers (4)
G-27(a)	Arthur H. Richardson, Inc. triplicate invoice #10149
G-27(b)	Arthur H. Richardson, Inc. triplicate invoice #10397
G-27(c)	Arthur H. Richardson, Inc. triplicate invoice #10506
G-27(d)	Arthur H. Richardson, Inc. triplicate invoice #09950
G-28	Bornstein's sworn statement dated 8/14/64
G-29	Page's sworn statement dated 8/14/64
G-30	Page's sworn statement dated 10/6/64
G-31	Page's sworn statement dated 10/15/64 (12)
G-32	Bornstein's letter to Model Engineering dated 1/24/64
G-33	Page's letter to Model Engineering dated 5/10/63
G-34	Indictment in Cr. No. 516-65
G-35	Bornstein Judgment of Conviction
G-36	Page Judgment of Conviction
G-37	Eagle Stamp in envelope
G-38	Bornstein Response to Requests for Admissions
G-39	Page Response to Requests for Admissions
G-40	Page Response to Request for Admissions admitting substance of Paragraph 3 of Complaint
G-41	Bornstein Answer Admitting Paragraph 3 of Complaint
G-42	Bornstein Answer admitting paragraph 15 of Complaint
G-43	Page Answer admitting paragraph 18 of Complaint
G-44	EIMAC Sales Order dated April 30, 1963
G-45	United Packing List A 11073 Dated January 16, [1964].

R/O — FORM 7

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Reviewed

Standard Form 33 (Oct. 1957 Edition) General Services

INVITATION, BID, AND AWARD
(SUPPLY CONTRACT)

CONTRACT NO.	PAGE NO.	NUMBER OF PAGES
DA-36-039-AMC-01080(E)	1	
ORDER NO. (If any) 1203-PP-63-A1-AX		

ADDRESS

U. S. ARMY SIGNAL SUPPLY AGENCY — 225 SOUTH 18TH STREET, PHILADELPHIA 3, PENNSYLVANIA

INVITATION FOR BIDS

DATE ISSUED 4 May 1962 — INVITATION NO. SC-36-039-62-2280-A1 w/Amd. #1

Sealed bids in triplicate, subject to (1) the Terms and Conditions of the Invitation for Bids, (2) the accompanying Schedule, (3) General Provisions (Standard Form 32, Sept. 1961 edition), which are incorporated herein by reference, and (4) such other contract provisions and specifications as are attached or incorporated by reference in the Schedule, will be received at the above office until 1130 o'clock A m., DS Time, 29 May 1962 (date) and at that time publicly opened, for furnishing the supplies or services described in the accompanying Schedule, for delivery f. o. b. (See Provision C)

General information and instructions to bidders are contained in the terms and conditions on the reverse hereof.

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	QUANTITY (No. of units)	UNIT	UNIT PRICE	AMOUNT
	SUBJECT: RADIO SET GROUP OA-1387( )/GRC: ITEM(S) SET FORTH ON PAGE(S) 5 THRU 22 "This contract is authorized by 10 U.S.C. 2304 (Public Law 1028, 84th Congress) approved 10 August 1956." (*S-F 124/5) DO Rating A-7 is certified for National Defense Use under DMS Regulation No. 1.	NOTE: All matters dealing with this solicitation PRIOR TO OPENING should be directed in writing to Mr. I. Sherman, Commodity Procurement Branch A-1, Telephone Kingsley 6-3200, Ext. 8140, AFTER OPENING, directed to Mr. J. Lynn, Ext. 8141, AND Name: Wm. E. Hughes Telephone: 104 Ext. 42 (Bidder is requested to fill in above blanks.)			

BID

DATE OF BID May 25, 1962

In compliance with the above, the undersigned offers and agrees, if this Bid be accepted within 60 calendar days (*60 calendar days unless a different period be inserted by the bidder*) from the date of opening, to furnish any or all of the items upon which prices are quoted, at the price set opposite each item, delivered at the designated point(s) within the time specified in the Schedule. Discounts will be allowed for prompt payment as follows:

½ percent, 10 calendar days; ½ percent, 20 calendar days; Net percent, 30 calendar days.

BIDDER REPRESENTS: (*Check appropriate boxes*)

(1) That he ☒ is, ☐ is not, a small business concern. (*See definition on reverse hereof.*) If bidder is a small business concern and is not the manufacturer of the supplies bid upon, he also represents that all supplies to be furnished hereunder ☐ will, ☐ will not, be manufactured or produced by a small business concern in the United States, its Territories, its possessions, or the Commonwealth of Puerto Rico.

(2) That he is a ☐ regular dealer in, ☒ manufacturer of, the supplies bid upon.

(3) (a) That he ☐ has, ☒ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the bidder) to solicit or secure this contract, and (b) that he ☐ has, ☒ has not, paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the bidder) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating to (a) and (b) above as requested by the Contracting Officer.
(*For interpretation of the representation, including the term "bona fide employee," see Code of Federal Regulations, Title 41, Part 1-30.*)

(4) He operates as an ☐ individual, ☐ partnership, ☒ corporation, incorporated in the State of Indiana

NAME AND ADDRESS OF BIDDER (*Street, city, zone, and State. Type or print*)	SIGNATURE OF PERSON AUTHORIZED TO SIGN BID
Model Engr. & Mfg. Corp. 50 Frederick St. Huntington, Indiana	→ W. E. Hughes TYPE OR PRINT BIDDER'S NAME AND TITLE Wm. E. Hughes, Vice President

AWARD

DATE OF AWARD 29 August 1962

ACCEPTED AS TO ITEMS NUMBERED	AMOUNT
1 thru 8	$1,472,455.72

UNITED STATES OF AMERICA
BY Louis E. Cather
LOUIS E. CATHER, Major, SigC Contracting Officer

SUBMIT INVOICE FOR PAYMENT TO
Finance & Accounting Officer
Finance & Accounting Office, USASSA
225 South 18th Street, Phila. 3, Pa.
ATTN: SIGSU-BK-2a (See Page 3A)

ACCOUNTING AND APPROPRIATION DATA
The cost of supplies is chargeable to the following allotments:
21X2030 362-6209 P4041-31 S36-039 SEA 60600
"LIQUIDATED DAMAGES"

PAYMENT WILL BE MADE BY
Same as above

Award will be made on this Form, or on Standard Form 26, or by other written notice.

BEST COPY AVAILABLE

84

GOVERNMENT EXHIBIT
G-23 (C)

PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL

U S

Voucher prepared at

Payee

Model Engineering & Mfg Corp
Huntington, Indiana

Date Invoice 11 Jan 64 Delivery 31 Jan 64

J. W. COTTERILL
MAJOR, P. C.

Contract AF33(657)-8102C(E)

15 Jan 64 AF33(657)-51 See Form #1025 Attached 39,943.25
EBG/bz 31 Jan 64
Mods #8

22021
Credit-Encumbrance for Progress Payment 11 M=I
21x3030 262-7520 P4041-31 S36-0915 C1 28
SE# 60600 CP1=1068 (119,963.69) G-2

Credit-Assessment for Liquidated Damages 63
21x3030 262-7520 P4041-31 S36-0915 (10,612.88)
SE# 60600 CP1=1068 22021 11

23

CU-1714

R. C. LEWIS
LT COL, P. C. SYM 5034

39,943.25

Approved for

Exchange rate

AF33(657)-51 AF33(657)-8102C(E) 39,943.25

21x3030 262-7520 P4041-31 S36-0915 170,519.82
SE# 60600 CP1=1068

22021

Check No

Check Issued

Paid by

Cash

Paid

Per

Title

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85

May 22, 1973

The Honorable John J. Kitchen
United States District Judge
P.O. Building & Court House
Camden, New Jersey

Re: U.S.A. v. Philip L. Bornstein, et al.
Civil Action No. 1141-67

Dear Judge Kitchen:

In compliance with Stipulation No. 17(o) in the Stipulation of Facts filed in the captioned matter on April 13, 1973, we are enclosing the official records of the Tobyhanna Army Depot, Tobyhanna, Pennsylvania, certified under the seal of the Secretary of the Army, which consist of and report the following:

1. Letter dated June 18, 1964, from the Chief, Quality Assurance Office, Department of the Army, directing, *inter alia*, that:

"Box 5/5 subject equipment received from Model Engineering Mfg. Corp., P.O. 15263-PP-63 be opened and *all electron tubes type 4X150G*, FSN 5960-264-9508, manufactured by Eitel-McCullough (Eimac) *be replaced with tubes from stock.* * * *" (Emphasis supplied),

and

"All tubes removed from the equipment must be isolated and placed in * * * a secure location. * * *".

2. Coordination Sheet, dated July 2, 1964, consisting of two pages, referencing the June 18, 1964 letter, reporting, *inter alia*, at page 1 thereof: "*Requirements of referenced letter has* (sic) *been accomplished.*"

and

"Two hundred and ninety-eight (298) such tubes have been removed from 149 each Accessory Kits,

boxes #5/5, are being held in abeyance in the security area. *Tubes have been obtained to replace the tubes taken from the accessory kits.* Sets have been retained in issue stock." (Emphasis supplied).

and reporting, at page 2 thereof, the replacement cost for each 4X150G electron tube, as follows:

"300 each tube type 4X150G at $40.82—$12,246.00."

As is indicated on the designated page 2 of the attachment, 48 radio kit sets, each containing two 4X150G electron tubes, were shipped from the Tobyhanna Army Depot to the Lexington Blue Grass Army Depot, Lexington, Kentucky and to the Electronic Proving Ground, Fort Huachuca, Arizona. The subject tubes in these sets were not examined at Tobyhanna prior to shipment. In addition, 48 radio kit sets, each also containing two 4X150G electron tubes, were shipped to the Sacramento Army Depot, Sacramento, California. We are awaiting the receipt of certified copies of comparable official documents, under the seal of the Secretary of the Army, or affidavits, from each of the aforesaid depots. We anticipate that we will be in receipt of such documentation by no later than May 30, 1973. However, in lieu thereof, if the defendants are willing to stipulate to the cost of replacing the 4X150G electron tubes in the kits shipped to said depots on the basis of the enclosure, the proofs for this aspect of the case can be closed and the matter could be set down for argument forthwith.

By carbon copy of this letter, the attorneys for the defendants are being provided with a copy of the enclosure and are being requested to immediately advise us

whether or not they will accept the enclosure as proof of the replacement cost for each 4X150G electron tube.

Respectfully,

HERBERT J. STERN
United States Attorney

By: CAROLYN E. ARCH
Assistant U.S. Attorney

Encl.
CM/RRR No. 271140

cc: Jack Ballan, Esq.
CM/RRR No. 271141

William Rossmoore, Esq.
CM/RRR No. 271142

UNITED STATES OF AMERICA

[SEAL]

DEPARTMENT OF THE ARMY

Tobyhanna, Pa. 18 April 73

I HEREBY CERTIFY that the documents attached hereto are true and correct copies of letter dated July 1964, with attachments, and Disposition Form dated 18 June 1964 pertaining to quantity of vacuum tubes 4X 150G supplied by Model Engineering and Manufacturing Corporation, official documents in the custody of the Director for Quality Assurance at Tobyhanna Army Depot, Tobyhanna, Pa.

/s/ William J. Lord
(Signature of Custodian)
WILLIAM J. LORD
Director of Quality Assurance

I HEREBY CERTIFY that William J. Lord, who signed the foregoing certificate, is the Director for Quality Assurance and custodian of the official document contained in this file, and that full faith and credit should be given to his certification.

IN TESTIMONY WHEREOF I, ROBERT F. FROEHLKE, Secretary of the Army, have hereunto caused the seal of the Department of the Army to be affixed and my name to be subscribed by the Administrative Assistant of the said Department, at the City of Washington, this 23rd day of April, 1973.

/s/ Robert F. Froehlke
ROBERT F. FROEHLKE
Secretary of the Army

By /s/ John G. Connell, Jr.
Administrative Assistant

[ILLEGIBLE] FORM

[FOR OFFICIAL USE ONLY]

Symbol or File Reference: SSMTO-AQ

Subject: Radio Set, Group OA-1387A, TRC, FSN 5820-892-0698

To—Ch, SPAR

From—Ch, Qual Assur O

Date—18 Jun 64

CMT I

S. Ponder/ama/249

1. Request that Box 5/5 subject equipment received from Model Engineering Mfg. Corp., P.O. 15263-PP-63 be opened and all electron tubes type 4X150G, FSN 5960-264-9508, manufactured by Eitel-McCullough (Eimac) be replaced with tubes from stock. Tubes are available in stock procured from Eitel-McCullough on P.O. 07200-PP-61.

2. All tubes removed from the equipment must be isolated and placed in CRC-9 in a secure location. Each tube must be tagged or otherwise identified as being removed from a specific serial number, pkd, date, etc., and signed by two responsible individuals, capable of attesting in criminal or civil proceedings. Photograph should be taken to depict various phases of the project.

3. The serial number and manufactured date number are to be recorded for reporting to the Chicago Army District. This office will formalize the report on completion.

4. Subject stock is to be retained in issue stock on completion of the project. It is currently frozen from issue.

5. Mr. Gabriel Unis, QC Specialist, of this office will be present to witness the operation. Request that he be contacted when the project is started.

6. Request this project be expedited.

/s/ Seldon Ponder
SELDON PONDER
Chief, Quality Assurance
Office

Cy furn:

Legal O (2 cys)
Ch, Storage Div

TO C/Storage Div.
From C/SPAR Div.

Date 25 June 64

CMT 2

T O'HARA/mv/610

Request concurrence with comment No. 1 and SPAR Division notified of action completion.

/s/ Thomas W. O'Hara
MASON C. LINN
C/SPAR Div.

COMEBACK COPY: Q.A.O.

COORDINATION SHEET

["FOR OFFICIAL USE ONLY"]

2 JUL 1964

SSMTO-AQ-C

SUBJECT: Alleged MIL-E-1 Irregularities of Vacuum Tubes Jan 4X150G, Reference DA-36-039-01188(E) and DA-36-039-01080(E)

TO: Commanding Officer
U.S. Army Material Command
Chicago Procurement District
ATTN: AMXCH-IT-3
623 South Wabash Avenue
Chicago, Illinois 60605

1. Reference your letter dated 18 June 1964.

2. Requirements of referenced letter has been accomplished.

a. Quantity of one hundred fifty (150) sets were available in depot stock.

b. One (1) set remaining intact as received, has been frozen from issue, and held in the security area.

c. Two hundred and ninety-eight (298) subject tubes have been removed from 149 each Accessory Kits, boxes #5/5, are being held in abeyance in the security area. Tubes have been obtained to replace the tubes taken from the accessory kits. Sets have been retained in issue stock.

d. Attached as inclosure #1 is a list of subject tube serial numbers, and other required information.

e. Inclosure #2 is a sample of the tag that was annotated, signed and attached to each of the 298 each tubes removed from the 149 each Accessory Kits, box #5 of 5.

3. Records at this depot indicate that forty-eight (48) sets were shipped to the following consignees:

a. 39 each on requisition number A2256641040438 and 1 each on requisition #A2256641040439 to Signal Stock Account Programmed Stock, Lexington Army Depot, Lexington, Kentucky.

b. 8 each on requisition #A6130041072126 to Consolidated Supply Property Officer, U.S.A. Electronic Proving Ground, Fort Huachuca, Arizona.

4. The following is a cost break-down for labor, material and inspection to remove tubes from 149 sets:

20.5 hrs @	$2.93 per hr.	$ 60.07
20.5 hrs @	2.28 per hr.	46.74
61.5 hrs @	2.36 per hr.	145.14
20.5 hrs @	4.27 per hr.	87.54
123 hrs total labor		$ 339.49
overhead 123 hrs @ 0.95		116.85
Total labor		$ 456.34
300 each tube type 4X150G @ $40.82		$12,246.00
Total		$12,702.34

5. Photographs depicting various phases of this project i.e. removing tubes from kits, are available for evidentiary purposes from this headquarters upon request.

6. 298 each tube type 4X150G are being held in abeyance pending disposition instructions from your office.

FOR THE COMMANDER:

B. R. YARGS
1st Lt, CrdC
Adjutant

2 Incl
as
Cy furn:

CG, USAMC, ATTN: AMCGC-S, WASH DC
CG, USASMC, ATTN: Judge Advocate
Wash, D.C., (2 cys)
CG, USASMC, ATTN: AMSSN-QA, Wash, DC

[Dispatched 2 Jul 1964—Dispatched Message Center Tobyhanna Army Depot]

Serial Numbers	Box Number	Partial No.	B/L No.
DO-23703	48-50	6	B7339243
2H-16782	48-50	6	B7339243
K9-42463	44-50	6	B7339243
1C-21408	44-50	6	B7339243
J-9-16341 (B, R or P)	45-50	6	B7339243
O-40069	45-50	6	B7339243
2F-20919	43-50	6	B7339243
2H-12285	43-50	6	B7339243
2H-12607	46-50	6	B7339243
2I-09194	46-50	6	B7339243
2F-15200	45-50	5	B7339242
2D-20803	45-50	5	B7339242
2D-25248	42-50	5	B7339242
2I-17322	42-50	5	B7339242
2I-09914	47-50	5	B7339242
2G-18332	47-50	5	B7339242
AO-22382	49-50	6	B7339243
2F-45738	49-50	6	B7339243
J9-22904	42-50	6	B7339243
DO-16655	42-50	6	B7339243
2G-24037	50-50	5	B7339242
2H-16934	50-50	5	B7339242
2F-38479	48-50	5	B7339242
2H-13121	48-50	5	B7339242
2C-26366	46-50	5	B7339242
2F-35032	46-50	5	B7339242
1L-42953	44-50	5	B7339242
2B-25202	44-50	5	B7339242
3L-08535	28-30	20	B7340402
3L-06243	28-30	20	B7340402
2G-23864	43-50	5	B7339242
2A-12373	43-50	5	B7339242
D9-06036	42-50	4	B7339098
3K-30824	42-50	4	B7339098
2I-07986	41-50	5	B7339242
1K-21701	41-50	5	B7339242
3L-05690	45-50	4	B7339098
1C-29196	45-50	4	B7339098
AO-25206	41-50	4	B7339098
3L-04779	41-50	4	B7339098

Serial Numbers	Box Number	Partial No.	B/L No.
1F-04349	50-50	2	B7338449
2I-13406	50-50	2	B7338449
1C-28145	41-50	2	B7338449
1A-09209	41-50	2	B7338449
1B-11125	46-50	2	B7338449
1H-05366	46-50	2	B7338449
L9-05282	44-50	2	B7338449
1F-23746	44-50	2	B7338449
1H-04767	48-50	3	B7339097
2I-16383	48-50	3	B7339097
1D-04323	45-50	1	B7338448
1B-36135	45-50	1	B7338448
1B-10427	46-50	3	B7339097
2H-13895	46-50	3	B7339097
2G-23679	48-50	2	B7338449
2H-16976	48-50	2	B7338449
2C-32202	47-50	2	B7338449
2H-15202	47-50	2	B7338449
1J-12551	45-50	3	B7339097
2I-07867	45-50	3	B7339097
3L-11264	50-50	4	B7339098
3L-06889	50-50	4	B7339098
3L-08534	49-50	4	B7339098
FO-19782	49-50	4	B7339098
2I-14798	49-50	5	B7339242
2H-13588	49-50	5	B7339242
2F-13192	50-50	3	B7339097
1C-11282	50-50	3	B7339097
3L-09744	46-50	4	B7339098
EO-24488	46-50	4	B7339098
3L-04655	44-50	4	B7339098
EO-16345	44-50	4	B7339098
L9-21255	47-50	4	B7339098
FO-32384	47-50	4	B7339098
BO-31128	43-50	4	B7339098
DO-16634	43-50	4	B7339098
3L-06357	48-50	4	B7339098
3K-14363	48-50	4	B7339098
1C-21304	49-50	1	B7338448
1C-20586	49-50	1	B7338448
2B-27361	43-50	2	B7338449
1C-29454	43-50	2	B7338449
1C-27970	49-50	2	B7338449
1C-37490	49-50	2	B7338449
1A-10293	42-50	2	B7338449
1B-29512	42-50	2	B7338449

Serial Numbers	Box Number	Partial No.	B/L No.
1I-59628	42-50	3	B7339097
1H-55380	42-50	3	B7339097
2I-08307	41-50	3	B7339097
2G-24061	41-50	3	B7339097
2I-06542	49-50	3	B7339097
2I-22312	49-50	3	B7339097
1C-37516	47-50	3	B7339097
1D-20008	47-50	3	B7339097
1D-04600	43-50	3	B7339097
1C-37830	43-50	3	B7339097
1F-22929	44-50	3	B7339097
2I-08632	44-50	3	B7339097
1B-10565	45-50	2	B7338449
1C-22299	45-50	2	B7338449
1F-22625	44-50	1	B7338448
1C-28057	44-50	1	B7338448
1F-11142	42-50	1	B7338448
1D-04364	42-50	1	B7338448
1F-13259	46-50	1	B7338448
1D-12571	46-50	1	B7338448
1G-32008	41-50	1	B7338448
1C-16972	41-50	1	B7338448
1F-47216	47-50	1	B7338448
1D-03999	47-50	1	B7338448
1C-37453	48-50	1	B7338448
1C-13420	48-50	1	B7338448
1D-04460	50-50	1	B7338448
1C-16977	50-50	1	B7338448
1J-05734	50-50	14	B7339935
1D-04802	50-50	14	B7339935
1E-29495	43-50	14	B7339935
1C-13442	43-50	14	B7339935
1B-37399	44-50	14	B7339935
L9-17974	44-50	14	B7339935
1B-38157	43-50	1	B7338448
1C-45676	43-50	1	B7338448
1D-12402	42-50	13	B7339934
1B-38344	42-50	13	B7339934
1C-45551	49-50	14	B7339935
1C-29066	49-50	14	B7339935
1I-52768	46-50	14	B7339935
1C-27909	46-50	14	B7339935
1C-37540	45-50	14	B7339935
1O-21216	45-50	14	B7339935
1L-23200	49-50	7	B7339244
2I-08965	49-50	7	B7339244

Serial Numbers	Box Number	Partial No.	B/L No.
1J-13818	46-50	7	B7339244
2I-08549	46-50	7	B7339244
2D-10886	50-50	7	B7339244
2I-13714	50-50	7	B7339244
1C-10804	47-50	7	B7339244
DO-11641	47-50	7	B7339244
1C-16996	42-50	8	B7339456
K9-39870	42-50	8	B7339456
2A-12614	41-50	7	B7339244
2F-16246	41-50	7	B7339244
2C-28834	48-50	7	B7339244
K9-38062	48-50	7	B7339244
2A-09665	45-50	7	B7339244
2B-24426	45-50	7	B7339244
2I-08279	42-50	7	B7339244
1K-18565	42-50	7	B7339244
2I-14797	44-50	7	B7339244
2B-24110	44-50	7	B7339244
1C-29526	50-50	8	B7339456
K9-38069	50-50	8	B7339456
2A-11984	44-50	8	B7339456
1B-37464	44-50	8	B7339456
2H-16835	43-50	7	B7339244
1D-03986	43-50	7	B7339244
2I-13772	50-50	6	B7339243
2I-17495	50-50	6	B7339243
2F-34960 Loose Dome	47-50	6	B7339243
BO-29203	47-50	6	B7339243
2H-10989	41-50	6	B7339243
2B-58783	41-50	6	B7339243
DO-14637	45-50	8	B7339456
1C-13584	45-50	8	B7339456
2A-09562	49-50	8	B7339456
2I-08029	49-50	8	B7339456
1C-29864	46-50	8	B7339456
1H-50193	46-50	8	B7339456
3L-08019	43-50	8	B7339456
K9-42462	43-50	8	B7339456
CO-26880	41-50	8	B7339456
K9-38077	41-50	8	B7339456
1B-38163	66-75	10	B7339458
DO-14714	66-75	10	B7339458
L9-23934	49-50	9	B7339457
CO-24254	49-50	9	B7339457
1H-07858	61-75	10	B7339458
G7-14349	61-75	10	B7339458

Serial Numbers	Box Number	Partial No.	B/L No.
BO-23862	63-75	10	B7339458
I7-01429	63-75	10	B7339458
1C-29015	64-75	10	B7339458
1C-28062	64-75	10	B7339458
3K-30220	74-75	10	B7339458
1G-22374	74-75	10	B7339458
I7-09700	41-50	11	B7339459
K9-38084	41-50	11	B7339459
3L-04391	70-75	10	B7339458
3I-14251	70-75	10	B7339458
H7-17449	50-50	11	B7339459
1C-29347	50-50	11	B7339459
I7-15753	43-50	11	B7339459
1C-29116	43-50	11	B7339459
G8-18875	46-50	11	B7339459
E7-05811	46-50	11	B7339459
1C-37862	47-50	11	B7339459
K9-44371	47-50	11	B7339459
1C-37691	42-50	11	B7339459
1F-11552	42-50	11	B7339459
1C-29016	49-50	11	B7339459
1C-28941	49-50	11	B7339459
I7-15730	45-50	11	B7339459
1C-37558	45-50	11	B7339459
1I-58697	42-50	15	B7339936
2A-09659	42-50	15	B7339936
1C-28985	49-50	12	B7339933
1D-28782	49-50	12	B7339933
1C-17100	44-50	11	B7339459
1C-21543	44-50	11	B7339459
1C-28937	46-50	12	B7339933
1D-05022	46-50	12	B7339933
1C-46928	48-50	16	B7339937
1C-21679	48-50	16	B7339937
1C-18172	43-50	12	B7339933
1C-29007	43-50	12	B7339933
1C-13177	50-50	17	B7340225
1C-37440	50-50	17	B7340225
1C-10396	47-50	12	B7339933
1C-10619	47-50	12	B7339933
1K-43823	45-50	12	B7339933
IO-32253	45-50	12	B7339933
3K-30063	47-50	8	B7339456
3G-23261	47-50	8	B7339456
1C-13729	41-50	12	B7339933
1L-21336	41-50	12	B7339933

Serial Numbers	Box Number	Partial No.	B/L No.
3L-11740	73-75	10	B7339458
3L-04777	73-75	10	B7339458
3I-21268	68-75	10	B7339458
3L-05131	68-75	10	B7339458
1F-13747	65-75	10	B7339458
3L-09777	65-75	10	B7339458
I7-01524	48-50	11	B7339459
1G-35768	48-50	11	B7339459
I7-09712	75-75	10	B7339458
1C-13748	75-75	10	B7339458
3L-11830	69-75	10	B7339458
3L-08567	69-75	10	B7339458
L9-24115	72-75	10	B7339458
H7-06827	72-75	10	B7339458
1C-13299	50-50	12	B7339933
1C-18024	50-50	12	B7339933
1G-45820	48-50	12	B7339933
L9-08902	48-50	12	B7339933
1L-39932	42-50	12	B7339933
1C-29105	42-50	12	B7339933
2D-19310	48-50	8	B7339456
1J-51849	48-50	8	B7339456
L9-24256	47-50	9	B7339457
B,P or R O-39921	47-50	9	B7339457
C8-13118	42-50	9	B7339457
2H-16724	42-50	9	B7339457
AO-14548	42-50	14	B7339935
1C-46707	42-50	14	B7339935
1D-12220	41-50	14 Loose dome	B7339935
1D-03187	41-50	14	B7339935
1E-12748	48-50	14	B7339935
1B-10544	48-50	14	B7339935
2A-11227	50-50	13	B7339934
1C-11180	50-50	13	B7339934
1D-12373	48-50	13	B7339934
1B-28877	48-50	13	B7339934
1I-61581	45-50	13	B7339934
1G-33418	45-50	13	B7339934
FO-31486	71-75	10	B7339458
K9-38080	71-75	10	B7339458
3L-06430	67-75	10	B7339458
3L-05354	67-75	10	B7339458
1C-13672	62-75	10	B7339458
1C-29529	62-75	10	B7339458
L9-28972	50-50	9	B7339457

Serial Numbers	Box Number	Partial No.	B/L No.
1F-36686	50-50	9	B7339457
AO-16444	45-50	9	B7339457
L9-42428	45-50	9	B7339457
2I-09008	41-50	9	B7339457
I7-15664	41-50	9	B7339457
DO-20794	43-50	9	B7339457
BO-33622	43-50	9	B7339457
2H-13682	44-50	9	B7339457
BO-40042	44-50	9	B7339457
J9-16667	46-50	9	B7339457
J9-23199	46-50	9	B7339457
1C-37585	48-50	9	B7339457
DO-11579	48-50	9	B7339457
1D-12183	47-50	14	B7339935
K9-26257	47-50	14	B7339935
1G-23337	43-50	13	B7339934
1D-04753	43-50	13	B7339934
1C-29046	47-50	13	B7339934
1C-18022	47-50	13	B7339934
1C-46901	46-50	13	B7339934
GO-26812	46-50	13	B7339934
AO-14534	44-50	13	B7339934
1K-12055	44-50	13	B7339934
1L-10878	49-50	13	B7339934
1G-31976	49-50	13	B7339934
1C-18013	41-50	13	B7339934
1D-10943	41-50	12	B7339933
1C-10731	44-50	12	B7339933
I7-15712	44-50		

DATE OF INSPECTION _____

SHIPMENT NUMBER ON WHICH RECEIVED ____

BILL OF LADING NUMBER _____

CONTRACT NUMBER DA-36-039-AMC-01080(E)
P.O. 15263-PP-63-A1-51

SIGNATURE OF INSPECTOR _____
GABRIEL F. UNIS, Q.A.O. INSP.

SIGNATURE OF ITEM IDENTIFIER _____
WILLIAM FRITCH, STG. DIV. LT.

SERIAL NUMBER OF TUBE _____

DATE TUBE WAS TAKEN OUT OF BOX _____

Incld #2

WILLIAM ROSSMOORE
Counselor at Law
744 Broad Street
Newark, New Jersey 07102

(201) 622-3791

[Miss Arch, United States Attorney, District of New Jersey, Rec'd Mail Room. 1973 May 25 AM 9:07 613694—Civ. 1141-67]

May 24, 1973

Honorable John J. Kitchen
U.S. District Court
Post Office Building
Camden, New Jersey 08101

Re: U.S. v. Philip L. Bornstein, et al.
Civil Action No. 1141-67

My dear Judge Kitchen:

I am in receipt of a copy of Miss Arch's letter to you dated May 22, 1973. I was quite surprised, at this late date, after briefs had been submitted by both sides, and almost two months after the scheduled trial date to receive this attempt to add totally new facts to the case. I point out to the Court the following:

1. While Miss Arch's letter states that it is "in compliance with Stipulation No. 17(o)", it most certainly is not in such compliance. Stipulation No. 17 (o) called for proof by "affidavit or voucher". The attachments to Miss Arch's letter contain neither.

2. The attachments in no way substantiate the claim in Stipulation No. 17(o) that the "cost to the United States in replacing the 442 falsely marked 4x150G electron tubes was $40.82 per tube or a total of $18,042.44". The letter from the Chief of the Quality Assurance Office dated June 18, 1964 specifically

states, "that the tubes are to be replaced with tubes from stock". The letter from B. R. Yaros dated July 2, 1964 indicates compliance with this and the removal of only 298 tubes. The hypothetical cost break down in para. 4 of that letter is unsupported by either an affidavit or a voucher.

3. Even if the attachments to Miss Arch's letter be accepted by the Court for whatever they are worth, they show maximum damages of 298 x $40.82 or a total of $12,164.36 instead of the $18,042.44 claimed.

4. Since the Government's claim for 35 forfeitures is based on 35 invoices accompanying 8 vouchers involving the shipment of 342 radio sets containing 684 of the tubes in question, we have at this point no way of knowing how many of these 8 vouchers and 35 invoices actually contained the 150 radio sets, or 298 tubes which were removed as faulty. Accordingly there is now a total lack of proof to justify any more than one forfeiture based on the one contract involved.

5. Obviously I cannot enter into the stipulation requested by Miss Arch neither as to the cost of the 298 tubes referred to in the attachments to her letter, nor as to an additional 96 radio kit sets shipped to Lexington, Kentucky; Ft. Huachuca, Arizona; or Sacramento, Calif. If these additional radio sets, each containing 2 of the tubes in question were included, the total would rise to 492 tubes, 50 more than the highest claim the Government has made to date. The total of 492 tubes arises from the 150 sets referred to in the attachments to Miss Arch's letter and the additional 96 sets or a total of 246 sets each containing 2 tubes.

6. In any event, no further evidence should now be received which was not at hand or readily available at the last trial date of March 29, 1973 and was known of, or could have been known of, by the Government at that time. Stipulation 17(o) clearly contemplated the prompt submission of an affidavit

or vouchers in lieu of evidence which the Government attorneys would have been prepared to offer at trial at that time, not an endless search through countless government offices for new evidence. This applies equally to the attachments to Miss Arch's letter of May 22 and to the future submissions referred to therein.

Respectfully submitted,

/s/ William Rossmoore
William Rossmoore
Attorney for Defendant Gerald Page

lb

cc: Jack Ballan, Esq.
Carolyn Arch, Esq.

JACK BALLAN

Counselor at Law
14 - 25 Plaza Road
Fair Lawn, N.J. 07410

(201) 796-0719
796-4900

[Arch, United States Attorney, District of New Jersey, Rec'd Mail Room. 1973 May 29 AM 8:35, May 25, 1973. 613694—Civ. 1141-67. See 737,606]

Hon. John J. Kitchen
United States District Court
Post Office Building
Camden, New Jersey 08101

Re: U.S. v. Philip L. Bornstein, et al.
Civil Action No. 1141-67

My dear Judge Kitchen:

I have received the letter of William Rossmoore, Esq., dated May 24, 1973, which pertains to the Government's most recent submission of documents in the above. Mr. Roosmoore's letter was written following our consultation. The undersigned attorney for the defendant Philip L. Bornstein, agrees in every respect with the contents of Mr. Roosmoore's letter and herewith adopts the same with regard to the defendant Bornstein.

Respectfully yours,

/s/ Jack Ballan
JACK BALLAN

JB/do

cc: William Rossmoore, Esq.
Carolyn Arch, Esq.

June 4, 1973

The Honorable John J. Kitchen
United States District Judge
P.O. Building & Court House
Camden, N.J.

Re: U.S.A. v. Philip L. Bornstein, et al.
Civil Action No. 1141-67

Dear Judge Kitchen:

Transmitted is the Affidavit of John E. Russel, Chief, Maintenance Quality Control Division, Directorate for Quality, Sacramento Army Depot, Sacramento, California, which he states, *inter alia*, that—

(a) 96 counterfeit 4X150G [electron] tubes were found in and removed from all Radio Kit Sets on hand at said Depot which were manufactured by Model Engineering and Manufacturing Corp., Inc.; that

(b) each of the 96 counterfeit 4X150G tubes was replaced with a genuine JAN 4X150G tube received directly from the manufacturer, Eitel-McCullough; that

(c) at the time in question, the unit price for a new, unused, genuine JAN 4X150G electron tube was $40.82; and that

(d) the total cost to replace the 96 counterfeit tubes with genuine JAN tubes was $3,918.72.

Respectfully,

HERBERT J. STERN
United States Attorney

By: CAROLYN E. ARCH
Assistant U.S. Attorney

Encl.
CM/RRR No. 271144

cc: (w/encl.)
Jack Ballan, Esq. (CM/RRR No. 271145)
William Rossmoore, Esq. (CM/RRR No. 271146)

CEA:lc

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

v.

PHILIP L. BORNSTEIN, ET AL., DEFENDANTS

AFFIDAVIT

STATE OF CALIFORNIA)
) ss:
COUNTY OF SACRAMENTO)

I, JOHN E. RUSSELL, of full age, being first duly sworn, upon my oath, depose and say:

1. I am, and have been for the last 21 years, employed by the United States Army, at the Sacramento Army Depot, Sacramento, California, in employment positions involving the inspection of military electronic equipment.

2. I am presently Chief of the Maintenance Quality Control Division, Directorate for Quality, Sacramento Army Depot, Sacramento, California.

3. In June, 1964, my employment position at the Sacramento Army Depot was Chief, Quality Assurance Office, Engineering Branch.

4. In June, 1964, the Sacramento Army Depot received a teletype from the Commanding General, U.S. Army Materiel Command, Washington, D.C., referenced:

"Subject: Defective JAN Tubes" which

(a) advised that non-standard, without warranty, 4X150G tubes that had been sold by their manufacturer, Eitel McCullough (EIMAC), to Arthur H. Richardson, Inc., Chicago, Illinois (Richardson), which further sold them to Sonora Electromatics, Inc., Paterson, New Jersey

(Sonora), might possibly be included in the Radio Set Groups manufactured by Model Engineering and Manufacturing Corp., Inc., Indiana (MEMCOR), under Contract No. DA-36-039-AMC-01080(E), that had been shipped to the Sacramento Army Depot,

(b) that Sonora had added on the suspect tubes, in an orange paint which almost matched the EIMAC symbolization, the nomenclature: "JAN-CIM-4X150G", and

(c) directed that the following project be undertaken: that the Sacramento Army Depot inspect said Radio Set Groups for and locate the counterfeit tubes, remove them, freeze them, and compare their serial numbers to a list of serial numbers of the tubes known to have been sold by EIMAC to Richardson, as aforesaid.

5. On June 15, 1964, I was appointed Project Officer for this project and, in accordance therewith, proceeded to obtain and have obtained, for inspection, the location at the Sacramento Army Depot of all electronic equipment which could possibly contain the counterfeit 4X150G tube types.

6. By June 24, 1964, all electronic equipment manufactured by MEMCOR under the aforesaid Contract located at the Depot had been inspected. Ninety-six counterfeit 4X150G tubes were found in the Radio Set Groups, removed therefrom, tagged and placed under the control of the Security Officer.

7. Each of the 96 counterfeit tubes removed was replaced with a genuine JAN 4X150G tube received directly from the manufacturer, EIMAC.

8. The unit price, in June, 1964, for new, unused, genuine JAN tube type No. 4X150G, identified in the Department of Army Supply Manual, SM 11-2-4, as Federal Schedule Stock No. 5960-264-9508, was $40.82.

9. The total replacement cost for the 96 genuine JAN 4X150G tubes was $3,918.72.

/s/ John E. Russell
JOHN E. RUSSELL

Sworn and Subscribed to before me this 30th day of May, 1973.

/s/ Amelia J. Edwards
AMELIA J. EDWARDS
Notary Public

[Notary Public Stamp]

JACK BALLAN
COUNSELLOR AT LAW
14-25 Plaza Road
Fair Lawn, N. J. 07410
(201) 796-0719
796-1900

June 7, 1973

Hon. John J. Kitchen
United States District Judge
P.O. Building & Court House
Camden, New Jersey

Re: U.S.A. v. Philip L. Bornstein, et al.
Civil Action No. 1141-67

My Dear Judge Kitchen:

I object to the most unusual tactics of the Government in periodically submitting statements to the Court, long after the time to respond has passed.

The latest statement, of June 4, 1973, contained prejudicial statements of fact to which the undersigned would never have agreed, if given an opportunity to discuss the same.

I most respectfully ask the Court to ignore and reject this and the prior submission, both of which are violative of the letter and spirit of the Stipulation of Facts heretofore agreed upon, after several days of very intensive negotiations.

I wish to register the strongest objection to the unfair tactics of the Government in its use of the word "counterfeit", to describe the tubes in question. This opens up an entire new factual area and is highly improper.

Finally, if the Court does not choose to refuse to admit these documents, may I note that the latest document includes an additional and different claim of damages. Again, as pointed out in a previous response by defendants, such data renders the Government's entire case

ambiguous and makes it impossible to fix either damages or forfeitures.

Respectfully Submitted,

/s/ Jack Ballan
JACK BALLAN
Attorney for
Defendant Bornstein

JB/do

cc: U.S. Attorney
Attn: Carolyn E. Arch
Assistant U.S. Attorney
Newark, N.J.

cc: William Rossmoore, Esq.

WAC,Jr:lc

June 11, 1973

The Honorable John J. Kitchen
U.S. District Judge
P.O. Building & Court House
Camden, N.J.

RE: U.S.A. v. Philip L. Bornstein, et al.
Civil No. 1141-67

Dear Judge Kitchen:

We have received the letters of William Rossmoore, Esq. dated May 24, 1973 and June 8, 1973 and Jack Ballan, Esq. dated May 25, 1973 and June 7, 1973 in the captioned matter. These letters complain that the United States, by submitting additional proofs pursuant to paragraph 17(o) of the Stipulation of Facts, is engaging in unusual and unfair tactics and is attempting to add additional and different claims and totally new facts to the case. Nothing could be further from the truth.

The facts which are binding upon the parties in this case are set forth in the Stipulation filed on April 13, 1973. Moreover, the Government will not, and indeed, cannot claim that it suffered at the hands of the defendants, damages in excess of $18,042.44 as set forth in the complaint. Paragraph 17(o) of the Stipulation requires the United States to prove by affidavit or voucher that the *cost* in replacing the 442 falsely marked 4X150G tubes was $40.82 per tube or a total of $18,042.44. The documents tendered by the Government under letters dated May 24 and June 4, 1973 are intended to do nothing more than meet this proof. These documents are not intended to alter, change or modify any of those facts which are set forth in the Stipulation.

However, regardless of paragraph 17(o), the United States submits that the measurement of damages which it suffered by receipt of the 442 counterfeit tubes is clearly established by paragraph 17(q) to be $18,000—the amount Model paid the Government in November 1964 for submission of these tubes.

The Government has argued (Supplemental Memorandum of Law, p. 21) that this $18,000 should not be credited to the defendants, but that if it is, it should be set off from the double damages. The defendants have replied (defendants' Answering Trial Memorandum, p. 10) that this sum should be credited before damages are doubled.

We have recently discovered cases in the analogous area of anti-trust trebel damages that may shed some light on this issue, which we believe should be brought to the Court's attention: *Lysfjord* v. *Flintkote*, 135 F. Supp. 672 (S.D. Cal. 1955), *rev. on other grounds*, 246 F.2d 368, 397-98 (9th Cir. 1957), *cert. denied*, 355 U.S. 835 (1957); *Bal Theatre Corp.* v. *Paramount Film Distributing Corp.*, 206 F.Supp. 708, 715 (N.D. Cal. 1962); *Semke* v. *Enid Automobile Dealers Association*, 320 F. Supp. 445, 447 (W.D. Ok. 1970), *rev. on other grounds*, 456 F.2d 1361 (10th Cir. 1972).

Respectfully yours,

HERBERT J. STERN
United States Attorney

By: WILLIAM A. CARPENTER, JR.
Assistant U.S. Attorney

cc: William Rossmoore, Esq.
Jack Ballan, Esq.

CEA:lc

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

Civil No. 1141-67

UNITED STATES OF AMERICA, PLAINTIFF

v.

PHILIP L. BORNSTEIN, ET AL., DEFENDANTS

ORDER OF DISMISSAL

WHEREAS, the summons which issued in the above-entitled action to defendant, United National Labs, Division of Sonora Electromatics, Inc., a corporation of the State of New Jersey, was returned to this Court on January 10, 1968, endorsed: "not served";

WHEREAS, because said defendant has not, to date, been served with process in the above-entitled action, no jurisdiction over it has been obtained by this Court, and the matter has proceeded to judgment against the remaining defendants;

NOW, THEREFORE upon the application of the plaintiff, the United States of America, by these presents, pursuant to and in accordance with Rule 41(a)(2) of the Federal Rules of Civil Procedure, 28 U.S.C., this Court hereby orders that the above entitled action be and the same hereby is dismissed as to defendant, United National Labs, Division of Sonora Electromatics, Inc., a corporation of the State of New Jersey, without costs.

JOHN J. KITCHEN
JOHN J. KITCHEN
United States District Judge

On the Motion of:

HERBERT J. STERN
United States Attorney
Attorney for Plaintiff,
United States of America

By: /s/ Carolyn E. Arch
CAROLYN E. ARCH
Assistant U.S. Attorney

[Original Filed Jul. 19, 1973]

SUPREME COURT OF THE UNITED STATES

No. 74-712

UNITED STATES, PETITIONER

v.

PHILIP L. BORNSTEIN, ET AL.

ORDER ALLOWING CERTIORARI—Filed January 27, 1975

The petition herein for a writ of certiorari to the United States Court of Appeals for the Third Circuit is granted.

Mr. Justice Douglas took not part in the consideration or decision of this petition.

☆ U. S. GOVERNMENT PRINTING OFFICE: 1975 571710 130